

disease rapid-treatment centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STEVENSON:

H. R. 3935. A bill to provide for the carrying of mail on star routes, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Virginia:

H. R. 3936. A bill to authorize the United States Park Police to make arrests within Federal reservations in the environs of the District of Columbia, and for other purposes; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATTLE:

H. R. 3937. A bill for the relief of William C. Reese; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 3938. A bill for the relief of Flury & Crouch, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

664. By Mr. HARDIE SCOTT: Petition of the Ukrainian-American Women's Citizen Association, of Philadelphia, Pa., urging passage of H. R. 2910, a bill to authorize the United States during an emergency period to undertake its fair share in the resettlement of displaced persons in Germany, Austria, and Italy, including relatives of citizens of members of our armed forces, by permitting their admission into the United States in a number equivalent to a part of the total quota numbers unused during the war years; to the Committee on the Judiciary.

665. By the SPEAKER: Petition of the Board of Supervisors of the County of Los Angeles, petitioning consideration of their resolution with reference to favoring and urging passage of necessary enabling legislation providing for universal military training; to the Committee on Armed Services.

666. Also, petition of Sol Peilish and others, petitioning consideration of their resolution with reference to opposition to any legislative measures for the suppression of the Communist Party; to the Committee on Un-American Activities.

667. Also, petition of Charles H. Nutting, Daytona Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

668. Also, petition of Mrs. Carrie L. McManus, Townsend Club No. 1, Sarasota, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

669. Also, petition of Miss Ellen K. DeVries, New Port Richey, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

670. Also, petition of Mrs. L. H. Anglemyer, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

671. Also, petition of Mrs. A. C. Starke, Sanford, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

TUESDAY, JUNE 24, 1947

(Legislative day of Monday, April 21, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father, when we become satisfied with ourselves, hold ever before us Thy demands for perfection.

Lest we become content with a good batting average, let us see the absolutes of honesty, of love, and of obedience to Thy will Thou dost require of us.

Seeing them, may we strive after them by Thy help.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 23, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 23, 1947, the President had approved and signed the act (S. 824) for the relief of Marion O. Cassidy.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2173. An act to amend section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 3131. An act to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended;

H. R. 3433. An act to amend the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and for other purposes;

H. R. 3744. An act to authorize the construction of a railroad siding in the vicinity of Franklin Street NE., District of Columbia;

H. R. 3861. An act to allow to a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code;

H. R. 3864. An act to amend the District of Columbia Unemployment Compensation Act with respect to contribution rates after termination of military service; and

H. J. Res. 221. Joint resolution to provide for permanent rates of postage on mail matter of the first class, and for other purposes.

The message also announced that the House had agreed to the following con-

current resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 35. Concurrent resolution providing for the printing of additional copies of House Report No. 541, Seventy-ninth Congress; House Report No. 1205, Seventy-ninth Congress; and House Report No. 2729, Seventy-ninth Congress;

H. Con. Res. 39. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of the hearing held on February 6, 1947; and

H. Con. Res. 40. Concurrent resolution authorizing the Committee on Un-American Activities to have printed for its use additional copies of House Report 209, Eightieth Congress, first session.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

S. 751. An act to continue a system of nurseries and nursery schools for the day care of school-age and under-school-age children in the District of Columbia through June 30, 1948, and for other purposes; and

S. J. Res. 113. Joint resolution authorizing the erection in the District of Columbia of a memorial to the Marine Corps dead of all wars.

LEGISLATIVE PROGRAM

Mr. WHITE. Mr. President, if I may make a very brief statement with respect to the program for today, it is anticipated that there will be taken up, first, the joint resolution terminating certain war and emergency statutory provisions, in charge of the senior Senator from Wisconsin [Mr. WILEY]. That is to be followed by the naval appropriation bill. There is a desire that the Senate then consider one or two treaties which have been reported and are on the calendar. There were some other matters suggested, but they are controversial, and I feel that if these two legislative matters and the one executive matter to which I have referred are disposed of it will be sufficient for the day.

MEETING OF COMMITTEE DURING SENATE SESSION

Mr. BUCK. Mr. President, I ask unanimous consent that the Committee on the District of Columbia may meet this afternoon at 2 o'clock.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PERMISSION TO HOLD HEARINGS

Mr. REED. Mr. President, the last of the great appropriation bills has been passed by the House. I refer to the independent offices appropriation bill. I am chairman of a Subcommittee on Appropriations which is in charge of that bill. We started hearings this morning. It will be necessary to work during all the available time this week in order to get out the bill, and I doubt if it can be done by June 30.

Therefore, I ask permission of the Senate that the Appropriations Subcommittee having charge of the independent offices appropriation bill may meet every afternoon this week, if necessary.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED PROVISIONS APPLICABLE TO APPROPRIATIONS FOR NAVY DEPARTMENT (S. DOC. NO. 64)

A communication from the President of the United States, transmitting proposed provisions applicable to appropriations for the Navy Department, in the form of amendments to the budget for the fiscal year 1948 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT OF OFFICE OF PRICE ADMINISTRATION

A letter from the Administrator of the Office of Temporary Controls, transmitting, pursuant to law, the Twentieth Report of the Office of Price Administration, covering the period ended December 31, 1946 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of that Corporation covering its operations from the period of its organization on February 2, 1932, to September 30, 1946, inclusive (with accompanying papers); to the Committee on Banking and Currency.

PETITIONS AND MEMORIAL

The PRESIDENT pro tempore laid before the Senate petitions and a memorial, which were referred, as indicated:

A joint resolution of the Legislature of the State of Wisconsin, favoring the enactment of legislation to prevent disposal of war surplus goods; to the Committee on Expenditures in the Executive Departments. (See joint resolution printed in full when presented by Mr. WILEY on June 23, 1947, p. 7539, CONGRESSIONAL RECORD.)

A petition of sundry citizens of the State of Florida, praying for the enactment of the so-called Townsend plan, to provide old-age assistance; to the Committee on Finance.

A resolution adopted by the Salem Square Congregational Church, of Worcester, Mass., protesting against the enactment of legislation providing Federal aid to education; to the Committee on Labor and Public Welfare.

Letters in the nature of petitions from Florence Gluesing, of Woodside, Long Island, N. Y., and H. E. Larson, of Los Angeles, Calif., praying that the Senate sustain the President's veto of the Taft-Hartley labor relations bill; ordered to lie on the table.

A letter in the nature of a memorial, from M. Harrison, of New York, N. Y., remonstrating against the enactment of legislation to provide compulsory military training; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LODGE (for Mr. BRICKER), from the Committee on Expenditures in the Executive Departments:

S. 164. A bill for the establishment of the Commission on Organization of the Executive Branch of the Government; without amendment (Rept. No. 344).

By Mr. BALL, from the Committee on Appropriations:

H. R. 3311. A bill making appropriations for the Departments of State, Justice, and Commerce, and the Judiciary, for the fiscal

year ending June 30, 1948, and for other purposes; with amendments (Rept. No. 343).

By Mr. WILEY, from the Committee on the Judiciary:

S. 186. A bill for the relief of Santiago Naveran; without amendment (Rept. No. 345);

S. 187. A bill for the relief of Antonio Arguinzonis; without amendment (Rept. No. 346);

S. 189. A bill for the relief of Simon Fermin Ibarra; without amendment (Rept. No. 347);

S. 190. A bill for the relief of Pedro Ugalde; without amendment (Rept. No. 348);

S. 298. A bill for the relief of certain Basque aliens; without amendment (Rept. No. 349);

S. 489. A bill to amend the Nationality Act of 1940, to preserve the nationality of naturalized veterans, their wives, minor children, and dependent parents; without amendment (Rept. No. 350);

S. 518. A bill to amend the Nationality Act of 1940 to preserve the nationality of citizens who were unable to return to the United States prior to October 14, 1946; with an amendment (Rept. No. 352);

S. 558. A bill for the relief of the alien Michael Soldo; without amendment (Rept. No. 351);

H. R. 1866. A bill for the relief of Paul Goodman; without amendment (Rept. No. 353); and

H. R. 3398. A bill to extend the period of validity of the act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States; without amendment (Rept. No. 354).

BILL INTRODUCED

Mr. HAWKES introduced a bill (S. 1497) to amend the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916, which was read twice by its title, referred to the Committee on Civil Service, and appears under a separate heading.

COLLECTION AND PUBLICATION OF STATISTICS OF FATS AND OILS

Mr. HAWKES. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill relating to the collection and publication of statistics of fats and oils, and I request that an explanatory statement by me may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred; and, without objection, the explanatory statement presented by the Senator from New Jersey will be printed in the RECORD.

There being no objection, the bill (S. 1497) to amend the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916, introduced by Mr. HAWKES, was received, read twice by its title, and referred to the Committee on Civil Service.

The explanatory statement presented by Mr. HAWKES is as follows:

STATEMENT BY SENATOR ALBERT W. HAWKES, OF NEW JERSEY, TO ACCOMPANY INTRODUCTION OF HAWKES BILL ON CENSUS OF FATS AND OILS

Mr. President, I am today introducing a bill to amend the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916.

My bill would broaden the law and extend coverage to include all fats and oils.

According to the Bureau of the Census, the entire cost of all the animal and vegetable fats and oils statistics now being compiled and published by the Bureau of the Census is about \$56,000 per year.

The present annual value of fats and oils produced and processed in this country is estimated to be approximately \$3,000,000,000.

In a letter dated May 21, 1947, to the chairman of the Senate Committee on Civil Service, Acting Secretary of Commerce William C. Foster stated:

"During the war these reports to the Bureau of the Census were made compulsory under War Food Administration Order 42, and were released on a monthly and quarterly basis. Since the termination of this order they have been continued on a voluntary basis as a result of their importance to industry, but there is some question as to how long this service could be maintained without specific authority and funds."

Mr. Foster also stated:

"In the fast-moving field of fats and oils, this current information is highly necessary for stable market conditions. The monthly reports are awaited with great interest by the trade as a guide in their buying and selling operations. As this country moves from a period of shortage to one of surplus these reports will be of increasing importance."

A similar bill, H. R. 3895, was introduced in the House of Representatives on June 18, 1947, by Congressman HESS, Republican, of Ohio.

I doubt if anyone would question the wisdom of spending the small amount of money that has been estimated to be involved in the interest of furnishing facts for those who use and process oils and fats, so as to avoid the high costs that come from speculation in the dark.

This speculation in the dark has caused processors and users of these products to pay exorbitant prices when, if they knew the facts, it might not have been necessary.

Exorbitant prices for raw materials lead to high costs for finished products and mulct the public consumer. This condition is what every right-thinking American is trying to avoid.

PRINTING OF REPORT CONCERNING CONVERSION OF TWO COST-PLUS-A-FIXED-FEE CONTRACTS AND DISPOSAL OF A SHIPYARD (S. DOC. NO. 65)

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed as a Senate document a report concerning the conversion of two cost-plus-a-fixed-fee contracts between the Maritime Commission and the California Shipbuilding Corp. to a fix-price basis, transmitted to the Senate by the Comptroller General of the United States on June 11, 1947.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO THE DEPARTMENTS OF STATE, JUSTICE, ETC., APPROPRIATION BILL

Mr. BALL. Mr. President, under rule 40 of the Rules of the Senate, I ask unanimous consent to file three notices in writing of my intention to move to suspend paragraph 4 of rule XVI to submit emergency amendments to H. R. 3311, making appropriations for the Departments of State, Justice, and Commerce, and the Judiciary, for the fiscal year ending June 30, 1948, and for other purposes, two of them authorizing the OIC program, and the third appropriating funds

for the salaries of law clerks and secretaries of judges.

The PRESIDENT pro tempore. Without objection, the notices will be printed in the RECORD, and the proposed amendments will be received and printed for the information of the Senate.

Mr. BALL. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3311) making appropriations for the Departments of State, Justice, and Commerce, and the judiciary, for the fiscal year ending June 30, 1948, and for other purposes, the following amendment, namely: Page 3, line 1, after "1946," insert the following: "acquisition, production and free distribution of informational materials for use in connection with the operation, independently or through individuals, including aliens, or public or private agencies (foreign or domestic), and without regard to section 3709 of the Revised Statutes, of an information program outside of the continental United States, including the purchase of radio time (except that funds herein appropriated shall not be used to purchase more than 75 percent of the effective daily broadcasting time from any person or corporation holding an international short-wave broadcasting license from the Federal Communications Commission without the consent of such licensee), and the purchase, rental, construction, improvement, maintenance, and operation of facilities for radio transmission and reception; purchase and presentation of various objects of a cultural nature suitable for presentation (through diplomatic and consular offices) to foreign governments, schools, or other cultural or patriotic organizations, the purchase, rental, distribution, and operation of motion-picture projection equipment and supplies, including rentals of halls, hire of motion-picture projector operators, and all other necessary services by contract or otherwise without regard to section 3709 of the Revised Statutes; not to exceed \$5,000 for entertainment."

Mr. BALL. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 3311) making appropriations for the Departments of State, Justice, and Commerce, and the judiciary, for the fiscal year ending June 30, 1948, and for other purposes, the following amendment, namely: Page 3, line 16, after "(19 U. S. C. 1354)" and before the period, insert the following: "Provided further, That notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Department of State is authorized, in making contracts for the use of international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose, against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities."

Mr. BALL. In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of the rule XVI for the purpose of proposing to the bill (H. R. 3311) making appropriations for the Departments of State, Justice, and Commerce, and the judiciary, for the fiscal year ending June 30, 1948, and for other purposes, the following amendment, namely: Page 71, after line 12, insert the following:

"Miscellaneous salaries: For salaries of all officials and employees of the Federal judiciary, not otherwise specifically provided for, \$1,800,000: *Provided*, That the compensation of secretaries and law clerks of circuit and district judges (exclusive of any additional compensation under the Federal Employees Pay Act of 1945 and any other acts of similar purport subsequently enacted) shall be fixed by the Director of the Administrative Office without regard to the Classification Act of 1923, as amended, except that the salary of a secretary shall conform with that of the main (CAF-4), senior (CAF-5), or principal (CAF-6) clerical grade, or assistant (CAF-7), or associate (CAF-8) administrative grade, as the appointing judge shall determine, and the salary of a law clerk shall conform with that of the junior (P-1), assistant (P-2), associate (P-3), full (P-4), or senior (P-5) professional grade, as the appointing judge shall determine, subject to review by the judicial council of the circuit, if requested by the Director, such determination by the judge otherwise to be final: *Provided further*, That (exclusive of any additional compensation under the Federal Employees Pay Act of 1945 and any other acts of similar purport subsequently enacted) the aggregate salaries paid to secretaries and law clerks appointed by one judge shall not exceed \$6,500 per annum, except in the case of the senior circuit judge of each circuit and senior district judge of each district having five or more district judges, in which case the aggregate salaries shall not exceed \$7,500.

Mr. BALL also submitted three amendments intended to be proposed by him to House bill 3311, making appropriations for the Departments of State, Justice, and Commerce, and the judiciary, for the fiscal year ending June 30, 1948, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notices.)

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 2173. An act to amend section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended:

H. R. 3131. An act to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended;

H. R. 3433. An act to amend the act entitled "An act to classify the officers and members of the Fire Department of the District of Columbia, and for other purposes," approved June 20, 1906, and for other purposes;

H. R. 3744. An act to authorize the construction of a railroad siding in the vicinity of Franklin Street NE., District of Columbia; and

H. R. 3864. An act to amend the District of Columbia Unemployment Compensation Act with respect to contribution rates after termination of military service; to the Committee on the District of Columbia.

H. F. 3861. An act to allow to a successor railroad corporation the benefits of certain carry-overs of a predecessor corporation for the purposes of certain provisions of the Internal Revenue Code; to the Committee on Finance.

H. J. Res. 221. Joint resolution to provide for permanent rates of postage on mail matter of the first class, and for other purposes; to the Committee on Civil Service.

CITATIONS BY B'NAI B'RITH TO SECRETARY OF STATE GEORGE C. MARSHALL, ASSOCIATE JUSTICE ROBERT H. JACKSON, AND SECRETARY OF WAR ROBERT P. PATTERSON

[Mr. MURRAY asked and obtained leave to have printed in the RECORD addresses by Secretary of State Marshall, Associate Justice Jackson, and Secretary of War Patterson, on the occasion of the award of citations to them, together with an address by Attorney General Clark, which appears in the Appendix.]

UNITED STATES EMPLOYMENT SERVICE—VIEWS OF IDAHO STATE EMPLOYMENT SERVICE

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD statements by Col. S. D. Hayes, director of the Idaho State Employment Service, and Mr. A. J. Tillman, assistant director of the Idaho State Employment Service, and presently acting director, which appear in the Appendix.]

UNNECESSARY OPERATIONS—ARTICLE BY ALBERT DEUTSCH

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a condensation of an article entitled "Unnecessary Operations," by Albert Deutsch, published in the Woman's Home Companion, which appears in the Appendix.]

IT DID HAPPEN—ARTICLE BY THOMAS L. STOKES

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article entitled "It Did Happen," by Thomas L. Stokes, appearing in the Atlanta Constitution, the St. Louis Globe-Democrat, and other papers, which appears in the Appendix.]

THE MISSISSIPPI RIVER FLOOD—EDITORIAL COMMENT

[Mr. MURRAY asked and obtained leave to have printed in the RECORD various articles and editorials relating to the Mississippi flood, which appear in the Appendix.]

ST. LAWRENCE SEAWAY PROJECT—EDITORIAL FROM WINNIPEG TRIBUNE

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "A Dream That May Come True," published in the Winnipeg, Manitoba, Tribune of June 19, 1947, which appears in the Appendix.]

PRESIDENTIAL SUCCESSION

The Senate resumed the consideration of the bill (S. 564) to provide for the performance of the duties of the office of President, in case of the removal, resignation, or inability both of the President and Vice President.

The PRESIDING OFFICER (Mr. Ives in the chair). The pending business before the Senate is Senate bill 564, the Presidential succession measure. The Chair recognizes the Senator from Wisconsin.

TERMINATION OF CERTAIN EMERGENCY AND WAR POWERS

Mr. WILEY. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 346, Senate Joint Resolution 123, declaring that in interpreting certain acts of Congress, joint resolutions, and proclamations World War II, the limited emergency, and the unlimited emergency shall be construed as terminated and peace established.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Reserving the right to object, it is understood the pending business will be resumed after the joint resolution in charge of the Senator from Wisconsin shall have been disposed of?

The PRESIDING OFFICER. That is understood by the occupant of the chair at the present moment.

Is there objection to the request of the Senator from Wisconsin?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 123) declaring that in interpreting certain acts of Congress, joint resolutions, and proclamations World War II, the limited emergency, and the unlimited emergency shall be construed as terminated and peace established, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and to insert:

That the following statutory provisions are hereby repealed:

Act of June 10, 1942 (56 Stat. 351);
Section 207, title II, act of September 21, 1944 (58 Stat. 736);

Act of March 5, 1940 (50 Stat. 45), as amended;

Section 609, act of July 1, 1944 (58 Stat. 714, ch. 373);

Act of October 1, 1942 (56 Stat. 763, ch. 573);

Sections 2, 3, and 4, act of July 8, 1942 (56 Stat. 649);

Act of April 16, 1943 (57 Stat. 65), as amended;

Act of September 29, 1942 (56 Stat. 760);

Section 61 (b) of the National Defense Act of June 3, 1916, as added by the act of June 26, 1944 (58 Stat. 359, ch. 279);

Section 21 of the act of February 16, 1914 (38 Stat. 289);

Act of January 15, 1942 (56 Stat. 5, ch. 3);
Act of June 3, 1941 (55 Stat. 238, ch. 162), as amended;

The provision in the act of June 11, 1940, making appropriations for the Navy Department for the fiscal year 1941, under the heading "Bureau of Supplies and Accounts, pay, subsistence, and transportation of naval personnel," prohibiting the payment of active-duty pay and allowances to retired officers except during the war or national emergency (54 Stat. 265, 275);

The provision in the act of February 7, 1942 (56 Stat. 68), under the heading "Marine Corps—Pay of officers, active list," relating to the availability of funds for the payment of active-duty pay to retired officers;

Section 2 of the act of February 15, 1879 (20 Stat. 295);

Act of May 29, 1945 (59 Stat. 226, ch. 137);

The provisions under the headings "Bureau of Engineering" and "Bureau of Construction and Repair," in the act of June 11, 1940 (54 Stat. 293), authorizing the Secretary of the Navy to exceed the statutory limit on repair and alterations to vessels commissioned or converted to meet the existing emergency;

Act of November 29, 1940 (54 Stat. 1219, ch. 923), as extended by the act of May 15, 1945 (59 Stat. 168, ch. 127);

The proviso of the act of February 7, 1942 (56 Stat. 63), that no officer of the Navy or Marine Corps who has been or hereafter may be adjudged fitted shall be involuntarily retired prior to 6 months subsequent to the termination of the existing national emergency;

Act of December 2, 1944 (58 Stat. 793);
Act of February 21, 1942 (56 Stat. 97, ch. 107);

Act of April 9, 1943 (57 Stat. 61, ch. 40);
The proviso of the act of June 26, 1940 (54 Stat. 599), under the heading "Council of National Defense," that until such time as the President shall declare the present emergency at an end the head of any department or independent establishment of the Government, notwithstanding the provisions of existing law, may employ, with the approval of the President, any person of outstanding experience and ability at a compensation of \$1 per annum;

The provision of the act of July 2, 1942 (56 Stat. 548), as amended, which permits the Secretary of the Interior, or any official to whom he may delegate such authority, to appoint, without regard to the Classification Act of 1923, as amended, skilled and unskilled laborers, mechanics, and other persons engaged in a recognized trade or craft, including foremen of such groups;

Act of December 22, 1942 (56 Stat. 1070, ch. 801);

The provisions under the heading "Department of Agriculture, Surplus Marketing Administration," and "Department of the Interior, Government in the Territories," contained in the act of December 23, 1941 (55 Stat. 855, 856-857);

Section 8 of the act of June 9, 1943 (57 Stat. 126);

Section 301 of the act of September 9, 1940 (54 Stat. 884), as amended;

The provision in the First Deficiency Appropriation Act of 1942, under the heading "Selective Service System," relating to the presentation of quarterly reports to the Postmaster General (56 Stat. 101);

Act of July 9, 1943 (57 Stat. 390, ch. 209);
Section 5 of the act of June 28, 1944 (58 Stat. 394);

Section 2883 (c) of the Internal Revenue Code, added by the act of January 24, 1942 (56 Stat. 17);

Section 2883 (d) and (e) of the Internal Revenue Code, added by the act of March 27, 1942 (56 Stat. 187);

Act of December 20, 1944 (58 Stat. 817, ch. 609);

The provision in the Interior Department Appropriation Act, 1945, under the heading "Water conservation and utilization projects," relating to the use of the services or labor of prisoners of war, enemy aliens, and American-born Japanese (58 Stat. 463, 491);

Section 6 (b) of the act of March 11, 1941 (55 Stat. 33), as amended;

Act of December 17, 1941 (55 Stat. 808, ch. 588), as amended;

Section 606 (h) of the Communications Act of 1934, added by the act of December 29, 1942 (56 Stat. 1096);

Act of April 29, 1942 (56 Stat. 265, ch. 266);
Act of May 14, 1940 (54 Stat. 216, ch. 201), as amended;

Act of June 11, 1940 (54 Stat. 306, ch. 327), as amended;

Act of June 29, 1940 (54 Stat. 689, ch. 447), as amended;

Act of October 10, 1940 (54 Stat. 1092, ch. 838), as amended;

Act of May 2, 1941 (55 Stat. 148), as amended;

Act of June 14, 1941 (55 Stat. 591, ch. 297), as amended;

Section 3 (i) of the act of March 24, 1943 (57 Stat. 45, 51);

The proviso of subsection (h) of section 511 of the Merchant Marine Act, 1936, added by the act of June 17, 1943 (57 Stat. 158);

Section 1 of the act of April 24, 1944 (58 Stat. 216), except that any suspension of the statute of limitations heretofore provided for in an agreement entered into under the authority of such section shall continue in effect for the period provided in such agreement, but in no case longer than 2 years after the date of the approval of this resolution;

Act of April 11, 1942 (56 Stat. 217);

Section 3 of the act of July 11, 1941 (55 Stat. 585);

Act of November 23, 1942 (56 Stat. 1020), as amended;

Act of October 29, 1942 (56 Stat. 1012);
Section 303 of the act of December 18, 1941 (55 Stat. 840);

Section 12 of the act of June 11, 1942 (56 Stat. 357), except that outstanding certificates issued thereunder shall continue in effect for a period of 6 months from the date of the approval of this joint resolution unless sooner revoked;

Act of July 12, 1943 (57 Stat. 520);

Act of June 5, 1942 (56 Stat. 323, ch. 346);
Act of January 2, 1942 (55 Stat. 881, ch. 646);

Act of December 24, 1942 (56 Stat. 1080, ch. 812);

Act of July 8, 1943 (57 Stat. 390, ch. 200);

The provisions of the act of November 19, 1941 (55 Stat. 765), as amended, relating to the availability for expenditure of funds appropriated pursuant to said act, as amended.

Sec. 2. Notwithstanding the termination date or termination period heretofore provided therefor by law, the following statutory provisions are repealed effective upon the date hereinafter specified, or upon the expiration of the period hereinafter specified, and shall remain in full force and effect until such date or until the expiration of such period. Such statutory provisions are hereby amended accordingly:

a. Repeal effective July 1, 1948:

Act of July 8, 1941 (55 Stat. 579, ch. 278), and the Act of June 22, 1943 (57 Stat. 161, ch. 137);

Section 2 of the act of November 17, 1941 (55 Stat. 764);

Act of March 13, 1942 (56 Stat. 171);
Act of June 27, 1942 (56 Stat. 461, ch. 455);

Act of July 1, 1943 (57 Stat. 371), and the act of May 14, 1942 (56 Stat. 278), as amended;

Act of September 22, 1941 (55 Stat. 728, ch. 414), as amended;

The provision in the Second Supplemental National Defense Appropriation Act, 1943, under the heading "Federal Works Agency, Public Buildings Administration," relating to the authority of the Commissioner of Public Buildings to designate employees as special policemen (56 Stat. 990, 1000);

Act of July 29, 1941 (55 Stat. 606, ch. 326).

b. Repeal effective 6 months after the date of this joint resolution:

Act of January 27, 1942 (56 Stat. 19, ch. 21), as amended;

Act of December 17, 1942 (56 Stat. 1056);
Section 610 (c) of the act of July 1, 1944 (58 Stat. 682, 714);

Act of October 10, 1942 (56 Stat. 780, ch. 588);

Act of June 28, 1944 (58 Stat. 463, ch. 297);

Act of July 9, 1943 (57 Stat. 391, ch. 213), as amended.

c. Repeal effective 1 year after the date of this joint resolution:

Section 1 of the act of July 20, 1942 (56 Stat. 662);

Section 605 (c) of the act of July 1, 1944 (58 Stat. 682, 713).

Sec. 3. In the interpretation of the following statutory provisions, the date when this joint resolution becomes effective shall be deemed to be the date of the termination of any state of war heretofore declared by the Congress and of the national emergencies proclaimed by the President on September 8, 1939, and on May 27, 1941;

Act of July 1, 1941 (55 Stat. 498, as amended);

Act of February 28, 1945 (59 Stat. 9, ch. 15);

Section 86 of the act of June 3, 1916 (39 Stat. 204);

Act of July 2, 1917 (40 Stat. 241), as amended;

Section 16 of the act of June 10, 1920 (41 Stat. 1072);

Act of February 26, 1925 (43 Stat. 984, ch. 340);

Act of April 12, 1926 (44 Stat. 241);

Act of May 29, 1926 (44 Stat. 677, ch. 424);
Section 20 of the act of May 18, 1933 (48 Stat. 68);

The provision of the act of May 15, 1936 (49 Stat. 1292), which authorizes the United States to control and operate the Little Rock Municipal Airport without rental or other charge in time of national emergency;

Act of May 27, 1939 (49 Stat. 1387);

Provisions authorizing the assumption of possession and control of the areas specified in the following statutes or parts of statutes: Section 3 of the act of June 21, 1938 (52 Stat. 834); act of June 20, 1936 (49 Stat. 1557, ch. 636); act of August 19, 1937 (50 Stat. 696, ch. 697); section 4 of the act of February 28, 1933 (47 Stat. 1368);

Section 5 (m) of the act of May 18, 1933 (48 Stat. 62);

Act of December 26, 1941 (55 Stat. 863, ch. 633);

Act of January 26, 1942 (56 Stat. 19);

Section 120 of the act of June 3, 1916 (39 Stat. 213, 214);

Provision of Naval Appropriation Act for the fiscal year 1917 (act of August 29, 1916, 39 Stat. 602), under the heading "Lighthouse Service," authorizing the President to transfer vessels, equipment, stations, and personnel of the Lighthouse Service (now Coast Guard under Reorganization Plan No. II) to the jurisdiction of the Navy or War Department;

Section 16 of the act of May 22, 1917 (40 Stat. 87);

Provision of chapter XVIII of the act of July 9, 1918 (40 Stat. 892), as amended by the act of November 21, 1941 (55 Stat. 781, ch. 499), extending the time for examination of accounts of Army disbursing officers;

Section 69 of the National Defense Act of June 3, 1916, as amended by section 7 of the act of June 15, 1933 (48 Stat. 156);

The provision authorizing the extension of enlistments in the Regular Army or the Enlisted Reserve Corps, in force at the outbreak of war or entered into during its continuation, for 6 months after its termination, contained in the act of March 15, 1940 (54 Stat. 53, ch. 61);

Act of May 14, 1940 (54 Stat. 213);

Section 2 of the act of December 13, 1941 (55 Stat. 799, ch. 571);

Chapter II, articles 2 (d), 48, 58, 59, 74, 75, 76, 77, 78, 79, 104, and 119 of the act of June 4, 1920 (41 Stat. 759, ch. 227);

Paragraph 3 of section 127a as added to the act of June 3, 1916 (39 Stat. 166), by section 51 of the act of June 4, 1920 (41 Stat. 759, ch. 227);

Revised Statutes, 1166;

The fourth proviso of section 18 of the act of February 2, 1901 (31 Stat. 748, ch. 192);

Provision of the act of July 9, 1918 (40 Stat. 861), making appropriations for the Army for the fiscal year 1919, under the heading "Barracks and Quarters," authorizing the Secretary of War to rent or lease buildings in the District of Columbia necessary for military purposes;

Section 111 of the act of June 3, 1916 (39 Stat. 211), as amended;

Section 363 of title III of the act of July 1, 1944 (58 Stat. 682, ch. 373);

Act of December 26, 1941 (55 Stat. 862, ch. 629), as amended by the act of December 23, 1944 (ch. 720, 58 Stat. 923);

Act of February 20, 1942 (56 Stat. 94);

Provision of Naval Appropriation Act for the fiscal year 1917 (act of August 29, 1916, 39 Stat. 581), under heading "Officers for Engineering Duty Only," authorizing the Secretary of the Navy to recall to active duty enlisted men on furlough without pay to complete the enlistment period;

Act of August 18, 1941 (55 Stat. 629);

Section 2 of the act of December 13, 1941 (55 Stat. 799, ch. 570);

Revised Statutes, 1420, as amended by section 2 of the act of January 20, 1944 (58 Stat. 4, ch. 2);

Provision of the act of August 29, 1916 (39 Stat. 614), which authorizes Marine Corps training camps for the instruction of citizens to be in existence for a period longer than 6 weeks in each fiscal year in time of actual or threatened war;

Revised Statutes, 1624, article 4, paragraphs 6, 7, 12-20, and article 5;

Act of March 22, 1943 (57 Stat. 41);

Revised Statutes, 1462-1464;

Provision of the Naval Appropriation Act for the fiscal year ending June 30, 1917 (act of August 29, 1916, 39 Stat. 591), under the heading "Fleet Naval Reserve," authorizing the Secretary of the Navy to call retired enlisted men into active service;

Provisions contained in the act of July 1, 1918 (40 Stat. 717), as amended (14 U. S. C. 164, 165), which authorize commissioned or warrant officers on the retired list to be ordered to active duty and to be temporarily advanced on the retired list, so far as such provisions pertain to personnel of the Coast Guard;

Act of April 8, 1946 (Public Law 337, 79th Cong.);

Section 4 (c) of the act of August 10, 1946 (Public Law 720, 79th Cong.);

Revised Statutes, 1436;

First proviso of section 18 of the act of May 22, 1917 (40 Stat. 84, 89);

Act of October 6, 1917 (40 Stat. 393, ch. 93), as amended;

Section 11 (c) of the act of June 23, 1938 (52 Stat. 948);

Section 10 of the act of June 14, 1940 (54 Stat. 394);

Section 18 of the act of August 2, 1946 (Public Law 604, 79th Cong.);

Provisions of the act of March 4, 1917 (39 Stat. 1192-1193); the act of May 13, 1942 (56 Stat. 277, ch. 304); sections 3 and 4 of the act of July 9, 1942 (56 Stat. 656); the act of June 17, 1943 (57 Stat. 156, ch. 128); the act of June 26, 1943 (57 Stat. 209); and the act of May 31, 1944 (58 Stat. 265, ch. 218), which authorize the President or the Secretary of the Navy to acquire, through construction or conversion, ships, landing craft, and other vessels;

Section 10 of the act of May 14, 1930 (46 Stat. 329, 332);

Act of May 29, 1930 (46 Stat. 479, ch. 350);

Section 7 of the act of April 26, 1898 (30 Stat. 365);

Act of March 7, 1942 (56 Stat. 143-148, ch. 166), as amended;

Sections 3 and 12 of the act of February 21, 1946 (Public Law 305, 79th Cong.);

Section 1 of the act of July 20, 1942 (56 Stat. 662, ch. 508), as amended;

Act of December 17, 1942 (56 Stat. 1056, ch. 763);

Act of March 17, 1916 (39 Stat. 36, ch. 46);

Act of April 11, 1898 (30 Stat. 737);

Act of March 3, 1925 (43 Stat. 1109, 1110);

Section 1 of the act of July 2, 1940 (54 Stat. 724, ch. 516);

Section 4 of the act of July 7, 1943 (57 Stat. 388);

Act of May 18, 1946 (Public Law 385, 79th Cong.);

Section 2 of the act of August 8, 1946 (Public Law 697, 79th Cong.);

Section 4 (b) of the act of July 2, 1940 (54 Stat. 712, 714);

Act of December 17, 1942 (56 Stat. 1052);

Section 3 of the act of June 27, 1944 (58 Stat. 387, ch. 287);

Act of December 23, 1944 (58 Stat. 926, ch. 726);

Act of March 7, 1942 (56 Stat. 143, ch. 166), as amended;

Section 1 of the act of December 7, 1945 (59 Stat. 603, 604);

Act of December 10, 1942 (56 Stat. 1045);

Act of December 26, 1941 (55 Stat. 858), as amended, except that the Commissioners of

the District of Columbia may continue to exercise the authority under sections 7 and 9 of such act, as amended, until not later than June 30, 1948, and the provisions of sections 11 and 12 of such act, as amended, shall continue to apply to cases in which the authority under sections 7 and 9 is exercised;

Proviso of section 303 (c) of the act of October 14, 1944, as added by the act of February 18, 1946 (Public Law 301, 79th Cong.);

Sections 119 and 156 of the act of October 21, 1942 (56 Stat. 814, 852-856);

Section 500 (a) of the act of July 22, 1944 (58 Stat. 291, ch. 268), as amended;

Section 201 of the act of August 10, 1946 (Public Law 719, 79th Cong.);

Act of July 31, 1945 (59 Stat. 511, ch. 338);

Section 6 of the act of February 4, 1887 (24 Stat. 379), as amended;

Provision of the act of August 29, 1916 (39 Stat. 619, 645), which empowers the President in time of war to take control of transportation systems;

Subsection (15) of section 402 of the act of February 28, 1920 (41 Stat. 477 (15));

Section 420 of the act of May 16, 1942 (56 Stat. 298);

Act of July 30, 1941 (55 Stat. 610);

Section 606 of the act of June 19, 1934 (48 Stat. 1104), as amended;

Section 4 of the act of July 15, 1918 (40 Stat. 901), as amended;

Sections 302 (h) and 712 (d) of the act of June 29, 1936 (49 Stat. 1993 and 2010);

Sections 1 (d) and 3 (a) of the act of August 7, 1939 (53 Stat. 1254 and 1255);

Section 2 of the act of October 22, 1914 (38 Stat. 765, ch. 334); act of May 10, 1943 (57 Stat. 82);

Section 1 (b) and subsections 2 (a), 2 (b), and 2 (c) of the act of August 8, 1946 (Public Law 660, 79th Cong.);

Section 1 of the act of January 28, 1915 (38 Stat. 800-801);

Provision of Naval Appropriation Act for the fiscal year 1917 (act of August 29, 1916, 39 Stat. 600), under heading "Coast Guard," subjecting personnel of the Coast Guard operating as part of the Navy to the laws governing the Navy;

Section 1 of title II of the act of June 15, 1917 (40 Stat. 220);

Provision of Naval Appropriation Act for the fiscal year 1917 (act of August 29, 1916, 39 Stat. 601), under heading "Coast Guard," authorizing the Secretary of the Navy to man any Coast Guard station or maintain any house of refuge as a Coast Guard station;

Title II of the act of February 19, 1941 (55 Stat. 11), as amended;

Act of December 16, 1941 (55 Stat. 807, ch. 586);

Provisions appearing under the heading "Limitations upon prosecutions," relating to crimes committed 2 years before arraignment, except for desertion committed in time of war, of the act of June 4, 1920 (41 Stat. 794);

Act of July 1, 1944 (58 Stat. 677, ch. 368);

Section 1 of the act of October 9, 1940 (54 Stat. 1061, ch. 788);

Section 2 of the act of June 19, 1912 (37 Stat. 138);

Provision of Naval Appropriation Act for the year 1918 (act of March 4, 1917, 39 Stat. 1192), authorizing the President to suspend provisions of the 8-hour law to contracts with the United States;

Section 6 of the act of March 3, 1931, as added by the act of August 30, 1935 (49 Stat. 1013, ch. 825);

Provision of Naval Appropriation Act for the fiscal year 1917 (act of August 29, 1916, 39 Stat. 558), under heading "Pay, miscellaneous," for the admission for treatment of interned persons and prisoners of war, under the jurisdiction of the Navy Department, to the Government Hospital for the Insane;

Section 604 of the act of July 1, 1944 (58 Stat. 712, ch. 373);

Section 400 (b) of the act of June 22, 1944 (58 Stat. 288), as amended;

Act of July 11, 1946 (Public Law 499, 79th Cong.);

Act of July 9, 1942 (56 Stat. 654);

Act of June 19, 1936 (49 Stat. 1535).

Sec. 4. The first sentence of section 3805 of the Internal Revenue Code, as added by section 507 (a) of the act of October 21, 1942 (56 Stat. 798, 963), is hereby amended to read as follows:

"In the case of any taxable year beginning after December 31, 1940, no Federal income tax return of, or payment of any Federal income tax by, any corporation organized under the China Trade Act, 1922 (42 Stat. 849, U. S. C., title 15, ch. 4), shall become due until January 1, 1948."

Sec. 5. Nothing herein contained shall be held to exempt from prosecution or to relieve from punishment any offense heretofore committed in violation of any act.

Mr. WILEY. Mr. President, the purpose of the joint resolution is to repeal or otherwise terminate operations under certain war and emergency statutory provisions which are no longer needed for the proper functioning of various agencies and departments of the Government.

In recognition of the interest of all its standing committees in this subject, the Senate, on January 8, 1947, adopted Senate Resolution 35, which directed each standing committee to make a full and complete study of all existing temporary and permanent emergency and wartime legislation within its jurisdiction, and to transmit its recommendations to the Committee on the Judiciary for review and correlation.

The Committee on the Judiciary has had the problem of terminating war and emergency statutes under continuing study for a considerable period of time. In the course of its study the committee caused to be compiled a list of all provisions of Federal statutes affected by the termination of hostilities, the war, or emergency, and that list has been printed as Senate Document No. 5.

Thereafter the Attorney General correlated and presented the views of the interested agencies of the executive branch of the Government on the statutes set forth in Senate Document No. 5. The report and recommendations of the Attorney General have been received, and are printed as Senate Document No. 42, and then were carefully considered by the committee.

In the prolonged and detailed study made of the various provisions, the committee considered the recommendations contained in Senate Document No. 42 and the recommendations in the reports of the standing committees. The committee has also had numerous consultations and conferences with representatives of the Government agencies, and has given careful consideration to the views of interested private agencies and persons. A public hearing, in which full opportunity to testify was afforded all interested persons, was also held on June 10, 1947.

On the basis of all the information developed as a result of the foregoing procedure, the committee has concluded that while it is necessary to continue in effect some of the war and emergency statutory provisions, a large number of such provisions should now be repealed or operations thereunder terminated.

Senate Joint Resolution 123, as introduced on June 5, 1947, was prepared only for the purpose of establishing a basis upon which the committee might found its final conclusions.

The committee recommends that the termination of war and emergency statutory provisions should be made in positive terms. Accordingly, the joint resolution in the amended form reported out by the committee provides specifically for the repeal or other termination of the provisions of law granting war or emergency powers which should be terminated at this time. In this form the joint resolution leaves no doubt as to its exact operation.

Section 1 of the joint resolution would accomplish the immediate repeal of 60 statutory provisions, which include the bulk of all the temporary statutes enacted since the beginning of World War II.

Section 2 amends 16 additional statutory provisions so as to effect their repeal at a fixed time in the future, which will permit a necessary period for conversion to peacetime operations. The termination provisions in these statutes would no longer be related to a war or emergency, but the statutes would be amended so that they would expire on the dates provided in the resolution.

Section 3 of the joint resolution, which lists 108 statutory provisions, provides that in the interpretation of these provisions the time when the joint resolution becomes effective shall be deemed to be the date of the termination of any state of war heretofore declared by the Congress and of the national emergencies proclaimed by the President on September 8, 1939, and on May 27, 1941. Nearly all the provisions affected by this section are permanent legislation. Most of them are effective only during the periods of war or emergency. A few provide that the statutory authority shall continue for a specified period after the termination of war or an emergency. The section will have the effect of terminating immediately operations under the statutory provisions which are in effect only during a period of war or emergency. Authority under provisions which by their terms remain in effect for a specified period after the termination of the war or emergency will terminate at the end of that specified period. The permanent statutes affected by the section will remain as permanent legislation for use again upon the occurrence of the contingency provided for by their terms.

Section 5 provides that nothing contained in the resolution shall be held to exempt from prosecution or to relieve from punishment any offense committed in violation of any act.

Senate Document No. 5, prepared by this committee in the course of its study of the problem of terminating war controls, listed 542 temporary and emergency and wartime provisions of law. The committee has found that 44 of these have already or expired or been repealed or similarly affected, many on March 31, 1947, others upon the President's proclamation of the cessation of hostilities. Seventy provisions will expire on a definite date already fixed by Congress in the terms of the provisions themselves. Sev-

enty-one are not war measures in the sense in which that term is usually interpreted, but relate to agricultural programs of the United States, provide rights for veterans, or pertain to other similar matters. Another group of statutory provisions set out in Senate Document No. 5 consists of those which relate to matters upon which legislation is now pending before the Congress. Nearly all of these pertain to the organization of the armed services. The committee felt that it would be inappropriate to repeal or otherwise terminate these provisions and thus interfere with the deliberations of the other standing committees of the Senate in matters pending before them.

SUMMARY

Briefly, the joint resolution has the effect of repealing immediately 60 statutory provisions, of effecting the repeal within 1 year of 16 additional statutory provisions, and of terminating operations under 108 further statutory provisions so far as those operations depend upon the existence of war heretofore declared by the Congress or the emergencies proclaimed by the President on September 8, 1939, and May 27, 1941.

Of the war and emergency statutes not affected by the resolution, a large number will terminate at some definite time in the future by reason of provisions already contained in them. Another group are not affected by the resolution because they are presently the subject of deliberations of standing committees of the Senate other than the Judiciary Committee.

CONCLUSION

The committee has decided that all aspects of the problem of termination of war and emergency statutes have been thoroughly examined, and that the extensive investigations, conferences, hearings, and deliberations have provided a basis for intelligent legislative action. The need for this action is urgent in that the amended Senate Joint Resolution 123 will do a great deal toward returning the machinery and operations of the Government from a war and emergency status to a permanent peacetime basis.

For the foregoing reasons, the Committee on the Judiciary reports Senate Joint Resolution 123, as amended, by unanimous consent, and urges that it be adopted.

Mr. President, there is on the desk of each Senator the report of the committee, which contains the bill and the substance of the statement I have already given to the Senate. I want to say, briefly, that it will be remembered that in January the program was developed, and a general resolution was adopted whereby there was referred to the various committees the question of determining what in their judgment should be done in relation to statutes or laws that had special application to the jurisdiction possessed by those committees. The committees functioned and reported, in accordance with the resolution, to the Committee on the Judiciary. The Committee on the Judiciary then proceeded to screen all the information it received from the committees; it proceeded to screen the information it had received from the executive departments of the

Government; and it then proceeded to hold conferences. There was a general agreement reached between the departments and the committee, so there is practically no controversial element in the joint resolution.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. WILEY. I am happy to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Am I correct in understanding that we are now discussing the control bill that concerns the continuance of control over manila hemp and other imported fibers?

Mr. WILEY. No; that is order No. 347 on the calendar, Senate bill 1461, a bill to extend certain powers of the President under title III of the Second War Powers Act. We are not discussing that. It is unaffected by the proposed legislation. The Senator from Kentucky [Mr. COOPER] should take up that bill immediately following action on the pending bill. I am informed the Senator from Kentucky is now on his way to the Senate Chamber.

Mr. SALTONSTALL. Then those articles are the subject of another bill that is now before the Committee on the Judiciary, or which the Judiciary Committee has reported; is that not true?

Mr. WILEY. That is correct. That relates to the Second War Powers Act, title III.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WILEY. I am happy to yield.

Mr. LODGE. Is it planned to take up Senate bill 1461 this morning?

Mr. WILEY. I hope that will be done. At least, if I have anything to say about it, we will consider it, for the reason that it is necessary that action on the part of both Houses of Congress and the President be had by the 30th of the month; otherwise there would be a hiatus respecting these matters that might be very detrimental to the functioning of our economy.

Mr. LODGE. So far as the Senator from Wisconsin knows, then, Calendar No. 347, Senate bill 1461, will be considered immediately following the disposition of the bill that is now being discussed?

Mr. WILEY. That is my understanding.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILEY. Yes; I am happy to yield.

Mr. SALTONSTALL. In furtherance of what my colleague from Massachusetts has just said, I understand that the report on Calendar 347, which is Senate bill 1461, has not yet been printed and is not available, and, therefore, since one of our substantial Massachusetts businesses, employing over 1,000 persons, is vitally interested in the matter, I hope the matter may not come before us until there has been an opportunity at least to see it in printed form.

Mr. WILEY. In reply to that suggestion, I may say that I hope the Senator will not insist that that be done. The bill and the report have been submitted, but the Printing Office has been so swamped that apparently we may not get them promptly. The only question at issue,

however, between the Senator and the committee would be the question of so-called control of cordage, and that matter can be discussed very openly and freely; and, whatever the judgment of the Senate is, that matter could even be removed from the bill. But we must get action on the Second War Powers Act.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WILEY. I am happy to yield.

Mr. LODGE. May I understand that the able Senator from Wisconsin would be willing to accept an amendment, even if the bill is not printed?

Mr. WILEY. The bill is printed, but the report is not printed.

Mr. LODGE. I wanted to inquire whether the Senator from Wisconsin might be willing to accept an amendment to the bill, even if the bill were not printed?

Mr. WILEY. The Senator from Massachusetts is not now talking about the bill that I am discussing. He is referring to order 347, Senate bill 1461, which is a bill to extend certain powers of the President under title III of the Second War Powers Act?

Mr. LODGE. Yes.

Mr. WILEY. That bill is not under consideration at this time; and, of course, I would not have authority to accept an amendment, anyway. The Senator from Kentucky [Mr. COOPER] is in charge of that bill, and it involves only four or five items of the Second War Powers Act, one of which relates to cordage. The bill has just now been laid on my desk, and it can be brought up for consideration.

Mr. LODGE. I know that the Senator from Wisconsin is very influential insofar as that bill is concerned.

Mr. WILEY. I thank the Senator from Massachusetts. This is the first time the word "influential" has been used in connection with me, and I appreciate it.

Mr. LODGE. Well, I mean it.

Mr. WILEY. Mr. President, I suggest that the Senator from Rhode Island [Mr. McGRATH] make a statement in connection with the bill at this time, and that the Senate proceed to a conclusion upon it.

Mr. McGRATH. Mr. President, addressing myself to Senate Joint Resolution 123, which is now before the Senate, I may say that the bill has been worked over very laboriously by the Committee on the Judiciary in complete cooperation with the Department of Justice. The measure deals with extremely complicated matters, because what is attempted to be done by it is to wipe off the statute books a great many of the acts that were placed upon them during the war period.

The purpose of the bill, as drawn, is to place the country largely back on a peacetime basis with respect to many of the functions that have been heretofore exercised on a wartime or emergency basis. The general purpose of the bill requires very little explanation, but if we were to begin to explain it in detail the Senate would perhaps be kept in session longer than the session concluded on Saturday.

Mr. President, I might say that there are over 500 different enactments that have had to be considered in the drafting of the joint resolution now before us. All these various enactments have been considered by the agencies of Government they affect. They have been analyzed by the experts in the Department of Justice who were familiar with the original enactments and their operations.

I am authorized to say on behalf of those who have been representing the administration, that the joint resolution in its present form is desirable. Should the measure not pass in its present form we will soon have to face the task of dealing with these acts one by one, and it is greatly to be feared that such an approach to the problem would result in endless confusion in the administrative branches of Government.

Therefore, Mr. President, without going into further details, for the matters involved are set forth adequately in the report, I should like to join with the chairman of the Committee on the Judiciary, the Senator from Wisconsin [Mr. WILEY], in urging the passage of the joint resolution, with the assurance to the Members of the Senate on this side of the aisle, if they should need any assurance, and to all the Members of the Senate, that the measure we are asking the Senate to pass has been thoroughly studied, and we believe it to be the most orderly way possible to largely return the Government to a peacetime basis. Therefore, I hope the joint resolution will be passed.

Mr. WILEY. Mr. President, I urge the adoption of the joint resolution.

The PRESIDING OFFICER. The question is on the amendment of the committee to strike out all after the enacting clause and to insert other language in lieu thereof.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 123) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to terminate certain emergency and war powers."

PRESIDENTIAL SUCCESSION

The Senate resumed the consideration of the bill (S. 564) to provide for the performance of the duties of the office of President, in case of the removal, resignation, or inability both of the President and Vice President.

NAVY DEPARTMENT AND NAVAL SERVICE APPROPRIATIONS, 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to lay aside the unfinished business, Senate bill 564, and that the Senate proceed to consider the Navy Department and naval service appropriation bill, fiscal year 1948.

The PRESIDING OFFICER. The Chair wishes to ask the Senator from Massachusetts if that request has been cleared with the Senator from Nebraska

[Mr. WHERRY], who has a standing request that the unfinished business have first consideration.

Mr. SALTONSTALL. The Senator from Massachusetts replies in the affirmative.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts that the unfinished business be laid aside and that the Senate proceed to consider the naval appropriation bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3493) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1948, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. SALTONSTALL. Mr. President, this being an appropriation bill, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Murray
Baldwin	Hawkes	Myers
Ball	Hayden	O'Connor
Barkley	Hickenlooper	O'Daniel
Brewster	Hill	O'Mahoney
Bricker	Hoey	Overton
Bridges	Holland	Pepper
Brooks	Ives	Reed
Buck	Jenner	Revercomb
Bushfield	Johnson, Colo.	Robertson, Va.
Butler	Johnston, S. C.	Robertson, Wyo.
Byrd	Kem	Russell
Cain	Kilgore	Saltonstall
Capehart	Knowland	Smith
Capper	Langer	Sparkman
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Taylor
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thye
Downey	McFarland	Tobey
Dworshak	McGrath	Tydings
Eastland	McKellar	Umstead
Ecton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	Wherry
Flanders	Martin	White
Fulbright	Maybank	Wiley
George	Millikin	Williams
Green	Moore	Wilson
Gurney	Morse	Young

Mr. LUCAS. I announce that the Senator from Utah [Mr. THOMAS] is absent by leave of the Senate, having been appointed a delegate to the International Labor Conference at Geneva, Switzerland.

The Senator from New York [Mr. WAGNER] is absent because of illness.

The PRESIDING OFFICER (Mr. LODGE in the chair). Ninety-three Senators have answered to their names. A quorum is present.

Mr. SALTONSTALL. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SALTONSTALL. Mr. President, I should like to make a very brief statement. To the best of my knowledge, this is a unanimous committee report. A summary of what the committee has recommended is on page 7 of the report. The committee believes that what it has recommended for the Navy will provide a well-balanced fighting navy, adequately

manned. In dollars and cents, the committee has increased the net appropriation over what the House recommended by \$15,500,000. In expenditures in the fiscal year 1948, it has reduced the House action by approximately \$30,000,000. The bill would permit an increase in enlisted personnel to 395,000 men, with 43,000 officers, as compared with 355,000 men and 41,000 officers, as provided by the House.

In a nutshell, that is what the committee recommends for the action of the Senate.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The first amendment of the Committee on Appropriations was, under the heading "Naval Establishment—Office of the Secretary—Miscellaneous expenses," on page 3, line 16, after the word "expenses", to strike out "\$14,500,000" and insert "\$16,700,000."

The amendment was agreed to.

The next amendment was, under the subhead "Research, Navy," on page 4, line 6, after the word "Research", to strike out "\$34,400,000" and insert "\$34,000,000"; and in line 9, after the word "Laboratory", to insert a comma and "and the Special Devices Center."

The amendment was agreed to.

The next amendment was, under the subhead "Island governments," on page 5, line 10, after the word "areas", to strike out "\$2,500,000" and insert "\$3,500,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Naval Personnel—Training, education, and welfare, Navy," on page 6, line 12, after the word "For", to insert "expenses necessary for the."

The amendment was agreed to.

The next amendment was, on page 6, line 22, after the word "libraries", to insert "and expenses incident thereto."

The amendment was agreed to.

The next amendment was, on page 7, line 11, after "(34 U. S. C. 821)", to strike out "\$12,000,000" and insert "\$15,000,000."

The amendment was agreed to.

The next amendment was, on page 7, line 13, after the word "Navy", to strike out "\$26,850,000" and insert "\$29,850,000, to be accounted for as one fund."

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous expenses, Bureau of Naval Personnel," on page 7, line 18, after the word "tags", to strike out "\$300,000" and insert "\$700,000."

The next amendment was, under the subhead "Naval Reserve," on page 8, line 5, after the word "activities", to strike out "\$100,000,000" and insert "\$99,700,000."

Mr. MAGNUSON. Mr. President, in connection with the Naval Reserve I notice that the Senate committee has cut the amount recommended by the House to the extent of approximately \$300,000, as is well known by the Senator from Massachusetts, who himself has been very active in the matter of the Naval Reserve. I wonder if it was the consensus of the committee and the Navy Department that the amount recommended will be adequate to establish

Naval Reserve units in the various districts of the United States. The Navy has been very active in this connection. In my own State and in the State of Massachusetts several communities have active Naval Reserve units. They are not Naval Reserve units such as we had prior to World War II, which existed largely only on paper. These are active, going concerns. The men take pride in their commissions, and they undergo training every year. The Navy has generously placed at their disposal many ships. I am wondering if it is the consensus of opinion that the amount recommended will cover not only the existing activities, but also possible future activities in the coming year.

Mr. SALTONSTALL. I would reply to my colleague from Washington that the House gave the Naval Reserve the full amount requested in the budget. The Senate cut it by \$300,000, but increased by \$450,000 the amount to go into purchasing Naval Reserve items. That was entirely agreeable to the Navy. They can put the money into the other item and they probably could not put it into the first item.

Mr. MAGNUSON. So, what the Navy itself probably contemplates and plans for the coming fiscal year is what it thinks will do the job?

Mr. SALTONSTALL. Yes.

Mr. MAGNUSON. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 8, line 5.

The amendment was agreed to.

The next amendment was, under the subhead "Naval Academy," on page 8, line 13, after the word "models", to strike out the colon and the following proviso: "Provided, That no part of any appropriation in this act shall be available for the pay or allowances of any enlisted man of the Navy or Marine Corps assigned to duty at the Naval Academy, if such assignment will increase the total number so assigned above 1,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Ships—Maintenance, Bureau of Ships," on page 9, line 10, after the word "vessels", to insert "leasing of laying-up facilities and docks"; on page 10, line 19, after the word "expeditions," to strike out "\$300,000,000" and insert "\$322,000,000"; and in line 23, after the word "Fund", to insert "and/or the Clothing and Small Stores Fund."

Mr. MAGNUSON. Mr. President, to my mind, this is the most important item in the naval appropriation bill. As the Senator from Massachusetts well knows, when the President suggested that the various bureaus of the Navy cut and economize after the war, the Bureau of Ships probably did the best job of any of the Navy Department bureaus.

It is my understanding that the House gave them an over-all cut of approximately 17 percent of their budget estimate. In effect, that means to the Bureau of Ships an even greater cut, because they were diligent in cutting ahead of time, and cutting down to the rock

bottom of their budget estimates. Of course, as the Senator well knows, the maintenance of the fleet, both active and inactive, is the most important item in naval appropriations, and one of the largest items. It affects employment in all the navy yards, in Massachusetts, in my own State, in California, at Philadelphia, Norfolk, New York, Mare Island, San Diego, Terminal Island, Hunters Point, and Bremerton.

The Navy had set an over-all figure, again a rock-bottom estimate, in order to maintain the fleet which Congress itself had given a mandate to the Navy to maintain, and there was a rock bottom of approximately 90,000 civilian employees scattered about through the various navy yards. The House cut that amount approximately \$72,000,000—

Mr. SALTONSTALL. It was \$74,000,000.

Mr. MAGNUSON. That would seriously curtail the Navy's figure of 90,000 civilian mechanics and employees in the various navy yards, to a great extent. I believe the ceiling was 9,000 in a Navy yard. That would cut it down to approximately 8,200. Of course it is false economy—and I am sure the Senator from Massachusetts agrees with me—to postpone repairs to a ship. It means that next year it will be necessary to make more repairs, because both the active fleet and the inactive fleet must be maintained. I am wondering whether or not, from the hearings and from the testimony of the very able head of the Bureau of Ships, Admiral Mills, who cut his budget almost to the extreme when he might have asked for more, the committee learned whether the restoration of \$22,000,000, as it affects the navy yard in Boston as well as the navy yard in my State, will seriously curtail the so-called employment ceilings in those navy yards.

Mr. SALTONSTALL. Mr. President, I will first say to my colleague that when I said \$74,000,000 was cut by the House I should have said \$66,000,000. The action of the Senate restored approximately \$22,000,000. Admiral Mills, who was one of the best witnesses who appeared before the subcommittee, stated that the restoration will permit the maintenance of the active fleet and will result in a standard of maintenance which, while it is not all that is desired, will be sufficient. Furthermore, it will permit the overhauling of some of the inactive ships and permit procurement of electronic material. While this cannot go on indefinitely, it is enough for this year, and will take care of the active fleet and make possible some work on the inactive fleet, and allow the procurement of some new electronic material that is necessary.

Mr. MAGNUSON. In other words, Admiral Mills was of the opinion that the restoration of \$22,000,000 would be sufficient, over and above the House cut, to keep up repairs to the so-called active fleet?

Mr. SALTONSTALL. That is correct.

Mr. MAGNUSON. And that also they would be able to do some work on what we term the inactive fleet?

Mr. SALTONSTALL. That is correct.

Mr. MAGNUSON. What would this do to the 90,000 personnel ceiling that was set?

Mr. SALTONSTALL. It would mean, I believe, some reduction, but not very much. That subject was not gone into in detail. There will be some reduction, of course.

Mr. MAGNUSON. In other words, the committee left it open so that the Bureau of Ships itself could lay off men; that is, an over-all layoff, rather than in a specific yard?

Mr. SALTONSTALL. As I understood Admiral Mills' testimony, the yards that will be kept going will keep the ordinary number of employees. Their basic employees will be continued and their basic work will be continued.

Mr. MAGNUSON. Was there any testimony at all to the effect that some of the so-called wartime yards might be closed?

Mr. SALTONSTALL. The whole bill provides for the Navy in such a way that the essential shore establishments for a well-balanced battle fleet will be maintained, and naturally the Navy will continue to close down those shore establishments which were essential for war purposes only. That question was not gone into in detail, because it was left to the Navy to keep those shore stations which were essential for a well-balanced fleet in the Pacific and in the Atlantic.

Mr. MAGNUSON. In other words, the Bureau of Ships was given a margin within which they could vary, as the circumstances required, as between the various Navy yards?

Mr. SALTONSTALL. That is absolutely correct.

Mr. MAGNUSON. Was there any testimony at all regarding the so-called east and west coast yards, as to the complement of the fleet that now lies in the Atlantic as against the complement of the fleet in the Pacific?

Mr. SALTONSTALL. Admiral Nimitz in his prepared testimony told the number of carriers and the size of the battle fleet in the Pacific as opposed to the Atlantic Fleet. If my memory is correct, he said there were more ships in the Pacific than in the Atlantic, but I am not certain of that.

Mr. MAGNUSON. If it is not confidential, was there any testimony at all as to the size of the Atlantic Fleet as compared with the size of the Pacific Fleet for the coming year?

Mr. SALTONSTALL. I am informed that it is broken down about 50-50 at the present time.

Mr. MAGNUSON. I appreciate the fact that the Senator did not go into this matter in detail, because it is a matter of operations rather than ship maintenance, and it is a difficult thing to separate them, but the Nation's naval strength, the greatest combined naval strength in the world, is now divided equally between the Atlantic and the Pacific Oceans?

Mr. SALTONSTALL. With a little balance in favor of the Pacific Fleet. If the Senator will read the table at the bottom of page 3 of the report he will see the number of ships that will be in active service as a result of the Senate's action.

Mr. MAGNUSON. Is there a great variance from the complement of the fleet as of a year ago? In other words, are more ships being moved to the Atlantic than were normally moved in the period beginning with World War II?

Mr. SALTONSTALL. That movement has not yet started, but I believe it will be in that direction.

Mr. MAGNUSON. In an easterly direction, through the canal?

Mr. SALTONSTALL. That is correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from Illinois, if the Senator from Washington has concluded.

Mr. MAGNUSON. I had one more question I wanted to ask, but the Senator from Illinois may go ahead.

Mr. LUCAS. Let me ask the able Senator from Massachusetts just two or three questions in order that I may clear up some misinformation in my own mind. I have not had an opportunity to read the report of the committee. Can the Senator tell me how much the House of Representatives cut in actual money below what was requested in the budget of the President of the United States?

Mr. SALTONSTALL. The House cut the budget estimates by \$378,000,000, resulting in a reduction in expenditures for the fiscal year 1948 of approximately \$374,000,000.

The Senate restored \$177,000,000 of the cut, making a net cut in appropriations for 1948 of \$201,000,000. But the Senate rescinded appropriations of 1946 and 1947 in the amount of \$161,000,000, making a net increase in appropriations of \$15,500,000, but a net reduction in total expenditures for 1948 of \$30,000,000.

Mr. LUCAS. Do I correctly understand that there is only a \$30,000,000 difference between what the President estimated in his budget and what the Senate Appropriations Committee finally agreed upon?

Mr. SALTONSTALL. No; what it amounts to is that the Senate committee's action is to cut the President's budget by \$200,000,000.

What the committee has done is to cut the appropriations submitted by the President by \$200,000,000, and to cut the expenditures for the fiscal year 1948 by \$400,000,000; but it has increased, net, the appropriations made by the House by \$15,500,000, but has reduced the expenditures recommended by the House for the fiscal year 1948 by \$30,000,000, making a net reduction in appropriations of \$200,000,000, but a net reduction in expenditures of \$400,000,000.

Mr. LUCAS. I think I understand the statement the distinguished Senator from Massachusetts has made.

Now let me inquire briefly just where these cuts will take place in the Navy. Probably the Senator from Massachusetts has already told the Senate.

Mr. SALTONSTALL. I should like to answer that question a little obliquely.

Mr. LUCAS. Certainly.

Mr. SALTONSTALL. The President's message, in dollars and cents, permitted a Navy of 400,000 men and 45,000 officers. The House cut the number of men, on the basis of an average throughout the year, to 355,000 men and 42,000 officers.

The Senate committee's action has restored the number of men to 395,000, and the officers to 43,000. In other words, by the Senate committee's action, we have restored sufficient men in uniform to operate the same number of ships that the President recommended. The cuts we have made may be stated as follows: We have cut some in rescinding contracts for the newest of equipment; we have cut some in maintenance; and we have rescinded some of the project orders and contract orders for new ships and for the maintenance of some of the ships that are in the inactive fleet.

But, as I told the Senator from Washington, Admiral Mills appeared before us, and we have restored enough money to maintain adequately the active fighting fleet.

Mr. LUCAS. Let me ask this further question: Is the report by the Appropriations Committee a unanimous report?

Mr. SALTONSTALL. It is.

Mr. LUCAS. I know that the Senator from Massachusetts is as much interested in an adequate national defense in these uncertain times as is any other Member of the Senate, and so I should like to know whether he feels that what the committee has recommended is adequate to meet the needs of the Navy during the fiscal year 1948.

Mr. SALTONSTALL. I do believe so. Furthermore, I believe that the Navy itself, although it would like to have more money, will get along and is satisfied with what we have provided.

Mr. LUCAS. Does the Senator from Massachusetts believe that as a result of these cuts we shall in any way be impairing the efficiency or the adequacy of the Navy in this crucial period of world history?

Mr. SALTONSTALL. In answer to that question I say, No; I do not. I think what we have done by our action is to postpone, if you will, by a little, providing the latest type of radar, boring all the guns, providing all the reserves of ammunition and the reserves of materials for building new ships or maintaining ships, but we have not affected the fighting forces. We have permitted the Navy to have what it calls well-rounded battle task forces.

Mr. LUCAS. Let me ask one further question, please. First, I wish to say to my able friend, the Senator from Massachusetts, that in my humble judgment there is nothing more important at the present time, in view of the critical conditions which now exist in the world, than for us to have an up-to-date, adequate, efficient United States Navy. As a result of the unanimous report of the Appropriations Committee upon this vital item in connection with the President's budget, I assume that the Senate conferees, of which the able Senator from Massachusetts probably will be chairman, will do everything within their power to keep this item where it has been fixed by the Senate Appropriations Committee.

Mr. SALTONSTALL. I say to my able colleague from Illinois that there is no one who feels any stronger along the lines he has so ably stated than I do.

Mr. LUCAS. I know of the record of the Senator from Massachusetts on this

question. My only desire in interrogating him along this line is to see that when the conferees meet nothing will be done to disturb what seems to me to be a fair and honest verdict by our Appropriations Committee with respect to this cut. The Senator from Massachusetts has told me that in his judgment nothing has been done that will impair the efficiency or adequacy of the Navy in this unusual hour of uncertainty in world affairs. I simply plead with the Senator and all other Senators who will be members of the conference committee to stick by their guns, because I feel that it is necessary to do so. I have a sort of intuitive judgment in this matter. I do not know anything about the facts; I have not studied the facts; I admit that I have not read the report but I have a feeling that we cannot do too much to stand by the Navy and the Army at this particular time.

I dislike to go against their judgment, although I know there are a great number of Senators who feel that the Army and Navy come here and ask for many things they do not deserve; and that may be true; there may be something in that. But I would rather have just a little too much at this particular time than not have quite enough. I think it is very important, as I view it, to do everything possible to get what the Appropriations Committee has recommended.

Mr. SALTONSTALL. I think our committee has done just what the Senator has suggested.

Mr. MAGNUSON. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from Washington.

Mr. MAGNUSON. First of all, what was the House percentage over-all cut of the Navy budget, as compared with the budget request?

Mr. SALTONSTALL. In appropriations, about 11¼ percent; in money to be spent in 1948 it was \$374,000,000.

Mr. MAGNUSON. What was the Senate committee cut, percentage-wise?

Mr. SALTONSTALL. We restored \$177,000,000 of a cut of \$378,000,000, leaving the net cut in appropriations \$201,000,000.

Mr. MAGNUSON. Which would be, as I calculate mentally, around 5 or 6 percent, would it not?

Mr. SALTONSTALL. Between 5 and 6 percent.

Mr. MAGNUSON. The ship-maintenance appropriation was cut in the House 17.5 percent?

Mr. SALTONSTALL. It was cut a net amount of \$66,000,000.

Mr. MAGNUSON. Which means 17.5 percent, as I recall the figures.

Mr. SALTONSTALL. I would have to figure that out.

Mr. MAGNUSON. This is the point: Whereas the over-all cut in the Navy, in the House Appropriations Committee, was 11 percent, the Bureau of Ships appropriations was cut 5 or 6 percent more than the over-all cut, and, to my mind, of course, that is the most important item in the Navy budget. The restoration of the twenty-two million, as compared with the 5 or 6 percent cut, which now exists over the budget estimates, is

how much in regard to the Bureau of Ships?

Mr. SALTONSTALL. Without trying to figure the percentage, what we have done is to put back personnel to operate the active fleet and cut away a little bit of the maintenance, also rescinding appropriations of 1946 and 1947 on contract orders and project orders.

Mr. MAGNUSON. I see in the committee report that the budget message calls for 850 combat ships. The House action reduced that to 765 combat ships. This refers to the active fleet. The Senate committee restoration, according to the committee report, is to have 850 combat ships, which is what the budget calls for. How does the committee justify a complete restoration of the active fleet to 850, and still cut the maintenance of that active fleet a certain percentage over the budget estimate?

Mr. SALTONSTALL. Because the Navy, in figuring its maintenance and figuring its restorations, and so on, had figured to the topmost degree of efficiency, figuring on painting right down to the keel, installing the newest type of radar equipment, and so on. We felt it was much more important to restore the personnel who will operate a well-manned, fighting fleet, than to paint down to the keel, and install the newest type of radar.

Mr. MAGNUSON. Let those things go for a time?

Mr. SALTONSTALL. Yes.

Mr. MAGNUSON. In other words, the cut in ship maintenance will not seriously handicap the maintenance of the 850 ships which the President asked for. It might postpone some of the extras?

Mr. SALTONSTALL. That is correct, and that was gone into very carefully by the committee.

Mr. MAGNUSON. Did Admiral Mills testify at all as to what the cut would be in the navy yard appropriation due to the Senate committee action?

Mr. SALTONSTALL. He definitely did not. What he wants to do, as I said, is to keep the navy yards, which they expect to maintain with their skilled employees, with all the help necessary to maintain those yards, to distribute the work so that those yards will be maintained, and not build up some at the expense of others.

Mr. MAGNUSON. For the purpose of the RECORD again, and I appreciate this is general and not exact, the Senator's best estimate is that if the new ships appropriation is cut, let us say, 5 or 6 percent, that would react in time to a cut of 5 or 6 percent from the present over-all manpower total, in Boston, Philadelphia, Bremerton, and the like?

Mr. SALTONSTALL. I understand not. If a yard is to be given up, of course, that yard will be put on a caretaker basis, and it will affect those yards, but the employees in the yards which are to be maintained, which the Navy expects to maintain, will not be affected to the same extent.

Mr. MAGNUSON. Was there any testimony as to which yards would be maintained and which might be put on a caretaker basis?

Mr. SALTONSTALL. There was not.

Mr. MAGNUSON. It is reasonable to assume, is it not, from the general testimony, that the so-called old-established yards would probably be definitely maintained if the amount were sufficient to maintain them adequately?

Mr. SALTONSTALL. I would assume so, but I cannot speak authoritatively on that, because that question was not gone into.

Mr. MAGNUSON. Is there any amount placed in the bill at all for new ship construction?

Mr. SALTONSTALL. There is, but I cannot tell the Senator just how much without going into the records.

Mr. MAGNUSON. Is that for combat ships?

Mr. SALTONSTALL. I so understand.

Mr. MAGNUSON. How much did the Senate committee restore as to research?

Mr. SALTONSTALL. The research figure submitted by the budget was left untouched by the House. The Senate committee again took the same action it did in regard to the reserve. It cut a few hundred thousand dollars of the amount for research, and put it into the item for administrative assistants, so that all research could be properly tabulated, and so on.

Mr. MAGNUSON. In other words, a very small amount?

Mr. SALTONSTALL. It was \$400,000 out of an appropriation of \$34,000,000.

Mr. MAGNUSON. What did the Senate committee do in regard to the Bureau of Aeronautics, compared with the House action?

Mr. SALTONSTALL. Will the Senator look at the top of page 4 of the report? That shows the total operable fleet, with aircraft, operable within personnel limitations. In other words, the Senate committee action restores almost the full number of ships the budget called for, though not quite.

Mr. MAGNUSON. Seventy-eight million, I see on page 11 of the report. Is that correct?

Mr. SALTONSTALL. The budget estimate for the Bureau of Aviation of the Navy was \$529,500,000. The House cut it to \$474,000,000, and the Senate restored \$28,890,000, making a budget of \$502,890,000, or a rough cut of just under \$27,000,000.

Mr. MAGNUSON. To sum this up, in other words, the over-all Senate action on naval appropriations would allow the United States Navy—and it is gaged by personnel; that is the yardstick—some 395,000 men and 42,000 officers, as compared to the budget request and the President's request of 500,000 men and about 43,000 officers, generally speaking?

Mr. SALTONSTALL. We have to make this distinction. The President in his budget made request for 46,000 officers and 425,000 enlisted men, but the money requested in submitting the budget was only enough to take care of 45,000 officers and 400,000 men. What the Senate has done is to permit 395,000 men, instead of 400,000, and 42,000 officers, instead of 45,000 officers.

Mr. MAGNUSON. Does the Senator recall the congressional mandate as to the number of men in the fleet? Was it 500,000 men?

Mr. SALTONSTALL. If my memory is correct, it was 425,000 men.

Mr. MAGNUSON. Four hundred and twenty-five thousand men?

Mr. SALTONSTALL. That is according to my memory.

Mr. MAGNUSON. It was approximately 500,000 over-all?

Mr. SALTONSTALL. A little under.

Mr. MAGNUSON. So that, under the Senator's able direction, in view of the drastic House cuts, the over-all strength of the Navy, if it is cut—and it may not be cut; the efficiency can still well go on, despite some cuts—is practically what Congress mandated to the Navy Department as to the size of the so-called active fleet?

Mr. SALTONSTALL. Almost, but not quite.

Mr. MAGNUSON. Just one more question, and I will be through. I do not want to delay the Senator, but this, to me, is a very important matter. Under "General provisions," section 103 is again placed in the bill, and that is the result, is it not, I will ask the Senator from Massachusetts, of a practice of long standing on the part of the Navy Department and Congress?

Mr. SALTONSTALL. That is in the same form as it has been since 1915.

Mr. MAGNUSON. I thank the Senator. I compliment the Senator from Massachusetts on the very efficient and fine job he has done on the naval appropriations. I think the RECORD should show that I served with the Senator, and I have been with him many times on matters affecting the welfare of the Navy, and when the welfare of the country as it pertains to the Navy has been at stake and at issue. I will say that his judgment on the matter has always been wise and farsighted. As the Senator from Illinois well said, I know the Senator from Massachusetts agrees that this is most important; in other words, it is our first line of defense, and although the Navy had a great many friends during the war, I am glad to see that the Navy also has some friends in peacetime. We do not want to relapse into the days of the twenties, when we practically scuttled the Navy. I think this bill is very adequate, and I hope the Senator, as the Senator from Illinois says, will stick to his guns in the conference.

Mr. SALTONSTALL. I thank the Senator very much.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MYERS. Did I understand the Senator to say that in the maintenance item the Senate has further reduced the House cuts?

Mr. SALTONSTALL. No.

Mr. MYERS. What has been done in the maintenance item, with regard to the House cuts?

Mr. SALTONSTALL. The Senate committee has restored \$22,000,000 of a \$66,000,000 cut from the appropriation for maintenance of the Bureau of Ships. Also the Senate committee recommends the rescission of a certain number of contract orders and project orders for 1946 and 1947, on which very little work

is being done, as we are informed by the Navy, amounting to \$161,000,000. Those contracts and those project orders have been rescinded.

Mr. MYERS. The Senator from Washington, addressing a question to the Senator from Massachusetts, I believe, inquired whether the Navy Department had given any indication as to which yards might be used as stand-by yards.

Mr. SALTONSTALL. They did not, to our committee, in any way, and I deliberately did not ask them that question, because I did not want to get into any questions, saying this yard should be opened, or that yard should be closed. The Navy, as I understand it, and as Admiral Mills and Admiral Nimitz told the committee, expects to keep the shore establishment that will permit them to operate balanced task forces in both the Pacific and the Atlantic. I did not go into the questions in any way, except that the established yards will not, as I understand, be put down below the fundamental number of employees which they have had over a period of years.

Mr. MYERS. I surmise, then, from that statement, that the committee has no intention of going into that question.

Mr. SALTONSTALL. I do not think the committee ought to go into that question.

Mr. MYERS. Could the Senator inform me what effect the bill might have on the naval aircraft factory in Philadelphia?

Mr. SALTONSTALL. I can only say this—and I did not bring it up—the question of antisubmarine patrol was left uncertain between the Army and the Navy, when the budget was submitted, and we have put in \$78,000,000 to build antisubmarine aircraft patrol over the next 3 years. That is a contract authorization that does not include any money in the fiscal year 1948, but permits the planning, and we shall have to appropriate for it in 1949 and 1950. But we do that because the antisubmarine work has been definitely established as a part of the Navy function.

Mr. MYERS. I understand there has been an over-all personnel at that aircraft factory of approximately 6,000 people. Does the Senator have any idea as to whether or not the bill may require a reduction in that staff or in that force?

Mr. SALTONSTALL. No. There, again, I would say to my colleague from Pennsylvania, we did not go into that matter. I do not think it was the intention of the committee to go into this aircraft factory or that aircraft factory, or the navy yard; we left that entirely to the Navy.

Mr. MYERS. I think this is the one real aircraft factory that the Navy has. Would the Senator be able to indicate, as the result of this bill, whether or not they could maintain the same level that they have had in the past, in the years before the war and in the years during the war? Would they be able to maintain their same personnel level of employment?

Mr. SALTONSTALL. I could not answer that question in detail. What we

did was to put back enough personnel so that they could operate the same number of aircraft that the budget provided, which they requested, and to allow enough oil, to allow enough materials, and to allow enough ground crews to operate those planes safely.

Mr. O'CONNOR. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. O'CONNOR. May I inquire further from the distinguished Senator from Massachusetts regarding long-range antisubmarine patrol service? The Senator has very kindly made observations with regard to it, and I would appreciate it very much if he could elaborate somewhat on it, because of the importance of that subject.

Mr. SALTONSTALL. The only elaboration I can make is that we have done what the Navy requested. As I understand it, when the budget was submitted—this is perhaps repeating what I have already said—there was a difference of opinion as to whether the antisubmarine production should be in the hands of the Army aircraft or in the hands of the Navy. That question has since been decided that it is a Navy function, so we put in \$78,000,000 of contract authorization, which is all that was asked for; but none of this will be spent in 1948, but it will be spent in 1949 and 1950, on providing the so-called "turtles."

Mr. O'CONNOR. I am very grateful to the Senator, but I would like to ask whether he believes that, in view of the great importance of this particular phase of the subject, that there is guaranteed adequate provision for antisubmarine patrol service, even without the appropriation at this time.

Mr. SALTONSTALL. We have a letter here from the Secretary of the Navy to the Senator from New Hampshire [Mr. BRIDGES], chairman of the committee, which would indicate that the \$78,000,000 was eliminated by the Bureau of the Budget. We put it back. The Secretary goes on to say that no new funds are needed to be provided in 1948. He also says that additional contract authority will be necessary ultimately in the amount of \$170,000,000, but only \$78,000,000 is requested at this time, and that is all the committee placed in the bill.

Mr. O'CONNOR. May I ask whether or not there was any change in the figures submitted by the Navy in that particular respect?

Mr. SALTONSTALL. I am informed not.

Mr. O'CONNOR. Mr. President, I am very grateful to the Senator from Massachusetts. I may say that I would like to echo the sentiments expressed by other Senators in commending very heartily the splendid work of the Senator from Massachusetts on this very important subject.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, under the heading "Bureau of Ordnance—Ordnance and ordnance stores, Navy," on page 11, line 3, after the word "For" where it occurs the first time, to insert "necessary expenses of"; and in line 15,

after "(Public Law 604)", to strike out "\$180,000,000" and insert "\$192,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Supplies and Accounts—Pay and subsistence of naval personnel," on page 13, line 5, after the word "stopped", to strike out the colon and the following proviso: "Provided, That no appropriation contained in this act shall be available for the pay, allowances, or other expenses of any enlisted man or civil employee performing service in the residence or quarters of an officer or officers on shore as a cook, waiter, or other work of a character performed by a household servant, but nothing herein shall be construed as preventing the voluntary employment in any such capacity of a retired enlisted man or a transferred member of the Fleet Reserve without additional expense to the Government, nor the sale of meals to officers by general messes on shore as regulated by detailed instructions from the Navy Department; total, pay, and allowances"; and in line 17, after the amendment just above stated, to strike out "\$1,153,000,000" and insert "\$1,219,777,000."

The amendment was agreed to.

The next amendment was, on page 13, line 20, after the word "law", to strike out "\$47,000,000" and insert "\$53,981,000."

The amendment was agreed to.

The next amendment was, on page 13, line 22, after the word "personnel", to strike out "\$1,200,000,000" and insert "\$1,273,758,000."

The amendment was agreed to.

The next amendment was, on page 14, line 6, after the word "Fund", to insert "and/or the Naval Stock Fund."

The amendment was agreed to.

The next amendment was, under the subhead "Transportation and recruiting of naval personnel," on page 15, line 10, after the word "appropriation", to strike out "\$34,000,000" and insert "\$36,631,000."

The amendment was agreed to.

The next amendment was, under the subhead "Maintenance, Bureau of Supplies and Accounts," on page 15, line 24, after the word "yards", to insert a semicolon and "losses sustained by disbursing officers of the Navy receiving counterfeit currency and counterfeit military payment certificates; and amounts necessary to adjust deficiencies in the accounts of disbursing officers of the Navy resulting from transactions authorized by Public Law 554, Seventy-eighth Congress, approved December 23, 1944"; on page 16, line 5, before the word "In", to strike out "\$150,000,000" and insert "\$155,000,000"; and in line 10, after the word "Fund", to insert "and/or the Clothing and Small Stores Fund."

The amendment was agreed to.

The next amendment was, under the subhead "Transportation of things," on page 16, line 14, after the word "Guard", to strike out "\$50,000,000" and insert "\$58,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Fuel, Navy," on page 16, line 20, after the word "facilities", to strike

out "\$50,000,000" and insert "\$55,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Yards and Docks—Maintenance, Bureau of Yards and Docks," on page 17, line 16, after the word "Docks", to insert "maintenance, repair, and operation of passenger-carrying vehicles for the Navy Department; rental of passenger-carrying vehicles"; in line 20, after "(Public Law 604)", to strike out "\$126,000,000" and insert "\$128,650,000"; on page 18, line 6, after the word "housing", to strike out "\$3,450,000" and insert "\$3,800,000"; and in line 7, after the words "in all", to strike out "\$129,450,000" and insert "\$132,450,000."

The amendment was agreed to.

The next amendment was, under the heading "Bureau of Aeronautics—Aviation, Navy," on page 18, line 19, after the word "plants", to insert a comma and "and for the employment of group IV-b personnel in the Bureau of Aeronautics necessary for the purposes of this item of appropriation"; on page 19, line 8, after "(Public Law 604)", to strike out "\$291,000,000" and insert "\$319,890,000"; in line 10, after the words "in all", to strike out "\$474,000,000" and insert "\$502,890,000"; and in line 21, after the word "of", to strike out "\$170,000,000" and insert "\$248,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Marine Corps—Pay, Marine Corps," on page 20, at the beginning of line 1, to strike out "\$26,400,000" and insert "\$28,384,000"; in the same line, after the word "including", to strike out "\$3,000,000" and insert "\$3,316,000"; in line 7, after the word "allowance", to strike out "\$3,500,000" and insert "\$3,728,000"; in line 8, after the word "allowance", to strike out "\$5,100,000" and insert "\$5,470,000"; and in the same line, after the words "in all", to strike out "\$35,000,000" and insert "\$37,582,000."

The amendment was agreed to.

The next amendment was, on page 21, line 6, after the word "troops", to strike out "\$1,342,000" and insert "\$1,448,000."

The amendment was agreed to.

The next amendment was, on page 21, line 7, after the words "In all", to strike out "\$189,128,000" and insert "\$191,816,000"; and in line 10, after the word "fund", to insert "and shall be available for amounts necessary to adjust deficiencies in the accounts of disbursing officers of the Marine Corps resulting from transactions authorized by the act of December 23, 1944."

The amendment was agreed to.

The next amendment was, under the subhead "Pay of civil force, Marine Corps," on page 21, line 19, after "Marine Corps", to strike out "\$1,000,000" and insert "\$1,175,000."

The amendment was agreed to.

The next amendment was, on page 21, line 22, after "Marine Corps", to strike out "\$900,000" and insert "\$1,050,000"; and in the same line, after the words "in all", to strike out "\$1,900,000" and insert "\$2,225,000."

The amendment was agreed to.

The next amendment was, under the heading "Shipbuilding—Ordnance for new construction," on page 25, line 9, after the word "plants", to insert "and group IV-b personnel in the Bureau of Ordnance necessary for the purpose of this appropriation."

The amendment was agreed to.

The next amendment was, under the heading "Navy Department—Salaries," on page 26, line 8, after the figures "\$7,000", to strike out "\$3,600,000" and insert "\$4,471,100."

The amendment was agreed to.

The next amendment was, on page 26, line 9, after "Office of Naval Research", to strike out "\$764,000" and insert "\$1,244,100."

The amendment was agreed to.

The next amendment was, on page 26, line 11, after the word "boards", to strike out "\$17,500" and insert "\$22,000."

The amendment was agreed to.

The next amendment was, on page 26, line 12, after the word "Library", to strike out "\$50,000" and insert "\$57,000."

The amendment was agreed to.

The next amendment was, on page 26, line 13, after "Office of Judge Advocate General", to strike out "\$300,000" and insert "\$348,000."

The amendment was agreed to.

The next amendment was, on page 26, line 14, after "Office of Chief of Naval Operations", to strike out "\$1,400,000" and insert "\$1,575,000."

The amendment was agreed to.

The next amendment was, on page 26, line 16, after "Board of Inspection and Survey", to strike out "\$35,000" and insert "\$37,400."

The amendment was agreed to.

The next amendment was, on page 26, line 17, after "Office of Director of Naval Communications", to strike out "\$1,625,000" and insert "\$2,454,300."

The amendment was agreed to.

The next amendment was, on page 26, line 19, after "Office of Naval Intelligence", to strike out "\$900,000" and insert "\$1,182,000."

The amendment was agreed to.

The next amendment was, on page 26, line 20, after "Bureau of Naval Personnel", to strike out "\$3,000,000" and insert "\$3,897,700."

The amendment was agreed to.

The next amendment was, on page 26, line 21, after "Hydrographic Office", to strike out "\$1,800,000" and insert "\$2,200,000."

The amendment was agreed to.

The next amendment was, on page 26, line 23, after the word "work", to strike out "\$400,000" and insert "\$433,000."

The amendment was agreed to.

The next amendment was, on page 26, line 24, after "Bureau of Ships", to strike out "\$5,450,000" and insert "\$6,950,000."

The amendment was agreed to.

Mr. MAGNUSON. I note on page 26 that again for the Bureau of Ships the committee has added some \$1,500,000 for salaries. Is that because of the fact that the research and planning was transferred into that office?

Mr. SALTONSTALL. Will the Senator repeat his question?

Mr. MAGNUSON. I see that the Bureau of Ships has been granted also an increase in salaries.

Mr. SALTONSTALL. That was done at the request of Admiral Mills. The money that was given to him for the Bureau of Maintenance would not be adequately administered unless we increased the number of supervisors and administrators, and the purpose was to increase this amount in order that he could efficiently spend the money we gave him.

Mr. MAGNUSON. That is a very important item for the Bureau of Ships, and I do hope that that increase will also be sustained in conference, because this planning means so much.

Mr. SALTONSTALL. I thank the Senator from Washington.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 26, line 25, after "Bureau of Ordnance", to strike out "\$3,000,000" and insert "\$3,710,500."

The amendment was agreed to.

The next amendment was, on page 27, line 1, after "Bureau of Supplies and Accounts", to strike out "\$4,300,000" and insert "\$4,710,000."

The amendment was agreed to.

The next amendment was, on page 27, line 3, after "Bureau of Medicine and Surgery", to strike out "\$1,000,000" and insert "\$1,284,000."

The amendment was agreed to.

The next amendment was, on page 27, line 5, after "Bureau of Yards and Docks", to strike out "\$2,000,000" and insert "\$2,574,600."

The amendment was agreed to.

The next amendment was, on page 27, line 6, after "Bureau of Aeronautics", to strike out "\$3,000,000" and insert "\$2,400,000."

The amendment was agreed to.

The next amendment was, on page 27, line 7, after "Navy Department", to strike out "\$32,660,100" and insert "\$39,569,300."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses," on page 27, line 19, after the word "offices", to strike out "\$1,000,000" and insert "\$1,060,000."

The amendment was agreed to.

The next amendment was, under the subhead "Printing and binding," on page 28, line 4, after the word "Office", to strike out "\$2,750,000" and insert "\$3,050,000."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent and miscellaneous expenses, Hydrographic Office," on page 28, line 13, after the word "charts", to strike out "\$900,000" and insert "\$1,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent and miscellaneous expenses, Naval Observatory," on page 29, line 3, after the word "expenses", to strike out "\$48,000" and insert "\$50,000."

The amendment was agreed to.

The next amendment was, under the heading "General provisions," in section

106, on page 34, line 18, after the word "appropriations", to insert a semicolon and "payment of rewards, as authorized by law, for information leading to the discovery of missing naval property or the recovery thereof."

The amendment was agreed to.

The next amendment was, on page 35, after line 2, to strike out:

Sec. 109. During the fiscal year 1948 the Secretary is authorized to procure intermittent services in accordance with section 15 of the act of August 2, 1946 (Public Law 600), but at rates for individuals not in excess of \$50 per day.

And in lieu thereof to insert the following:

Sec. 109. Appropriations in this act shall be available for the payment of employment at the seat of government or elsewhere of temporary (not in excess of one year) or intermittent services in accordance with section 15 of the act of August 2, 1946 (Public Law 600), but at rates for individuals not in excess of \$50 per day.

Mr. SALTONSTALL. Mr. President, in the amendment on page 35, I offer an amendment to strike out in lines 12 and 13 the words "but at rates for individuals not in excess of \$50 per day." If this amendment to the amendment is adopted it will result in reducing the amount to approximately \$38.50 a day, and would be in line with the Appropriations Committee's action on other bills.

The PRESIDING OFFICER. The Senator from Massachusetts has offered an amendment to the committee amendment on page 35, in lines 12 and 13, to strike out the words "but at rates for individuals not in excess of \$50 per day." The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The next amendment was, on page 36, line 3, after the word "expenses", to strike out "(including the pay, allowance, and subsistence of naval and Marine Corps personnel)"; in line 6, after the word "equipment", to insert "except vessels"; and in line 16, after the word "paid", to insert "and the Navy Department is authorized to apportion, obligate, and expend funds from the several appropriations involved in advance of the reimbursement thereto: *Provided*, That reimbursement shall not be made for pay and allowances and subsistence of naval and Marine Corps personnel within the numbers appropriated for."

The amendment was agreed to.

The next amendment was, on page 37, after line 8, to insert:

Sec. 114. The Secretary may transfer not to exceed 5 percent of any of the foregoing appropriations to any other appropriation or appropriations made by this act, but no such appropriation shall be increased more than 5 percent as a result of such transfer: *Provided*, That a quarterly statement of any such transfers shall be transmitted to the chairmen of the Appropriations Committees of the House of Representatives and of the Senate.

The amendment was agreed to.

Mr. MAGNUSON. With respect to the new section 114, of course, it is common practice to allow flexibility, but I

will ask the Senator from Massachusetts whether that was the percentage the Navy itself asked for?

Mr. SALTONSTALL. The answer is "Yes." That section was left out of the 1948 appropriation bill by the House. It was in the 1947 appropriation bill and was in previous appropriation bills. The provision will allow a transfer from one appropriation to another of not exceeding 5 percent, but not to exceed 5 percent of the amount of the appropriation to which it was transferred.

Mr. MAGNUSON. But the percentage was what the Navy itself suggested?

Mr. SALTONSTALL. That is correct.

Mr. MAGNUSON. It is a wise provision, and I am glad to see it back in the bill.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 37, after line 16, to insert:

TITLE II—REDUCTIONS IN APPROPRIATIONS

SEC. 201. Amounts made available to the Navy Department from appropriations are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

NAVAL ESTABLISHMENT

Office of the Secretary: "Miscellaneous expenses, Navy, 1946," \$2,000,000.

Bureau of Naval Personnel:

"Instruction, Navy, 1946," \$325,000;

"Welfare and recreation, Navy, 1946," \$1,250,000;

"Naval Reserve, 1946," \$12,000,000;

"Naval Reserve, 1947," \$12,000,000.

Bureau of Ships:

"Maintenance, Bureau of Ships, 1946," \$105,000,000;

"Maintenance, Bureau of Ships, 1947," \$20,000,000;

Bureau of Ordnance:

"Ordnance and ordnance stores, Navy, 1946," \$30,000,000;

"Ordnance and ordnance stores, Navy, 1947," \$7,000,000.

Bureau of Supplies and Accounts:

"Pay and subsistence of naval personnel, 1946," \$50,000,000;

"Transportation and recruiting of naval personnel, 1946," \$10,000,000;

"Maintenance, Bureau of Supplies and Accounts, 1946," \$6,000,000;

"Maintenance, Bureau of Supplies and Accounts, 1947," \$10,000,000;

"Transportation of things, Navy, 1946," \$25,000,000;

"Fuel, Navy, 1946," \$10,000,000.

Bureau of Medicine and Surgery: "Medical Department, Navy, 1946," \$2,000,000.

Bureau of Yards and Docks:

"Maintenance, Bureau of Yards and Docks, 1946," \$3,000,000;

"Maintenance, Bureau of Yards and Docks, 1947," \$3,000,000.

Bureau of Aeronautics:

"Aviation, Navy, 1946," \$65,000,000;

"Aviation, Navy, 1947," \$10,000,000.

Marine Corps: "General Expenses, Marine Corps, 1946," \$20,000,000.

In all, \$403,575,000.

The amendment was agreed to.

The next amendment was, on page 39, after line 16, to insert:

No person shall be held liable for an overobligation of any above-listed appropriation when such overobligation occurs as a result of the approval of this act. Such overobligations shall be reduced in such a manner and at such a rate as to assure no overexpenditure.

The amendment was agreed to.

The next amendment was, on page 39, line 22, to change the section number from 114 to 202.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill be read a third time.

The bill (H. R. 3493) was read the third time and passed.

Mr. SALTONSTALL. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. SALTONSTALL, Mr. BRIDGES, Mr. BROOKS, Mr. ROBERTSON of Wyoming, Mr. TYDINGS, Mr. OVERTON, and Mr. GREEN conferees on the part of the Senate.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of the Senate proceedings.)

TEXT OF FINAL ARTICLES REVISION CONVENTION—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. As in executive session, the Chair lays before the Senate a communication from the President of the United States, transmitting Executive EE, Eightieth Congress, first session, an authentic text of the Final Articles Revision Convention, 1946 (No. 80), adopted at the Twenty-ninth Session of the International Labor Conference at Montreal on October 9, 1946. Without objection, the injunction of secrecy will be removed from the convention, and the communication and convention will be referred to the Committee on Foreign Relations; and, without objection, the communication from the President will be printed in the RECORD. The Chair hears no objection.

The communication from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith an authentic text of the Final Articles Revision Convention, 1946 (No. 80), adopted at the Twenty-ninth Session of the International Labor Conference at Montreal on October 9, 1946. In my opinion this convention is essential to bring the language of previously adopted conventions into conformity with present conditions and specifically to recognize the present relationship of the International Labor Organization to the United Nations under article 57 of the Charter of the United Nations.

This convention was adopted unanimously by the Conference. On the part

of the United States delegation, affirmative votes were cast by the two Government delegates, by the delegate representing employers, and by the delegate representing workers.

The purpose of the convention is to make verbal changes in the texts of conventions adopted at the previous 28 sessions and to assign responsibility to the Director General of the International Labor Office for certain of the chancery functions for which previously the Secretary General of the League of Nations was responsible.

The effect of this convention is described in more detail in the report of the Secretary of State, enclosed herewith, and in a communication from the Secretary of Labor, a copy of which is enclosed.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 24, 1947.

(Enclosures: (1) Authentic text of Convention No. 80; (2) report of the Secretary of State; (3) from the Secretary of Labor.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. VANDENBERG, from the Committee on Foreign Relations:

James Bruce, of Maryland, to be Ambassador Extraordinary and Plenipotentiary to Argentina.

William J. Sebald, of the District of Columbia, and sundry other persons for appointment as foreign service officers in the Diplomatic and Foreign Service.

PROTOCOL AMENDING THE AGREEMENTS, CONVENTIONS, AND PROTOCOLS ON NARCOTIC DRUGS

Mr. VANDENBERG. Mr. President, I wish to ask the Senate to take up the Narcotics Protocol which has been on the Executive Calendar for sometime. It is totally without controversy of any nature, and I am sure that its approval will be nothing more than a formality. I shall be glad to make a statement in connection with it.

I ask unanimous consent that, as in executive session, the Narcotics Protocol, Executive N, Eightieth Congress, first session, be laid before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan?

There being no objection, as in executive session, the Senate, as in committee of the whole, proceeded to consider the Protocol, Executive N (80th Cong., 1st sess.), a protocol amending the agreements, conventions, and protocols on narcotic drugs, opened for signature at Lake Success on December 11, 1946, and signed on behalf of the United States of America on that date, which was read the second time, as follows:

PROTOCOL AMENDING THE AGREEMENTS, CONVENTIONS AND PROTOCOLS ON NARCOTIC DRUGS CONCLUDED AT THE HAGUE ON 23 JANUARY 1912, AT GENEVA ON 11 FEBRUARY 1925 AND 19 FEBRUARY 1925, AND 13 JULY 1931, AT BANGKOK ON 27 NOVEMBER 1931 AND AT GENEVA ON 26 JUNE 1936.

The States Parties to the present Protocol, considering that under the international Agreements, Conventions and Protocols relating to narcotic drugs which were concluded on 23 January 1912, 11 February 1925,

19 February 1925, 13 July 1931, 27 November 1931 and 26 June 1936, the League of Nations was invested with certain duties and functions for whose continued performance it is necessary to make provision in consequence of the dissolution of the League, and considering that it is expedient that these duties and functions should be performed henceforth by the United Nations and the World Health Organization or its Interim Commission, have agreed upon the following provisions:

ARTICLE I

The States Parties to the present Protocol undertake that as between themselves they will, each in respect of the instruments to which it is a party, and in accordance with the provisions of the present Protocol, attribute full legal force and effect to, and duly apply the amendments to those instruments which are set forth in the Annex to the present Protocol.

ARTICLE II

1. It is agreed that, during the period preceding the entry into force of the Protocol in respect of the International Convention relating to Dangerous Drugs of 19 February 1925, and in respect of the International Convention for limiting the Manufacture and regulating the Distribution of Narcotic Drugs of 13 July 1931, the Permanent Central Board and the Supervisory Body as at present constituted shall continue to perform their functions. Vacancies in the membership of the Permanent Central Board may during this period be filled by the Economic and Social Council.

2. The Secretary-General of the United Nations is authorized to perform at once the duties hitherto discharged by the Secretary-General of the League of Nations in connection with the Agreements, Conventions and Protocols mentioned in the Annex to the present Protocol.

3. States which are Parties to any of the instruments which are to be amended by the present Protocol are invited to apply the amended texts of those instruments so soon as the amendments are in force even if they have not yet been able to become Parties to the present Protocol.

4. Should the amendments to the Convention relating to Dangerous Drugs of 19 February 1925, or the amendments to the Convention for limiting the Manufacture and regulating the Distribution of Narcotic Drugs of 13 July 1931, come into force before the World Health Organization is in a position to assume its functions under these Conventions, the functions conferred on that Organization by the amendments shall, provisionally, be performed by its Interim Commission.

ARTICLE III

The functions conferred upon the Netherlands Government under articles 21 and 25 of the International Opium Convention signed at The Hague on 23 January 1912, and entrusted to the Secretary-General of the League of Nations with the consent of the Netherlands Government, by a resolution of the League of Nations Assembly dated 15 December 1920, shall hence forward be exercised by the Secretary-General of the United Nations.

ARTICLE IV

As soon as possible after this Protocol has been opened for signature, the Secretary-General shall prepare texts of the Agreements, Conventions and Protocols revised in accordance with the present Protocol and shall send copies for their information to the Government of every Member of the United Nations and every nonmember State to which this Protocol has been communicated by the Secretary-General.

ARTICLE V

The present Protocol shall be opened for signature or acceptance by any of the States Parties to the Agreements, Conventions and

Protocols on narcotic drugs on 23 January 1912, 11 February 1925, 19 February 1925, 13 July 1931, 27 November 1931 and June 1936, to which the Secretary-General of the United Nations has communicated a copy of the present Protocol.

ARTICLE VI

States may become Parties to the present Protocol by

- (a) signature without reservation as to approval,
- (b) signature subject to approval followed by acceptance or
- (c) acceptance.

Acceptance shall be effected by the deposit of a formal instrument with the Secretary-General of the United Nations.

ARTICLE VII

1. The present Protocol shall come into force in respect of each Party on the date upon which it has been signed on behalf of that Party without reservation as to approval, or upon which an instrument of acceptance has been deposited.

2. The amendments set forth in the Annex to the present Protocol shall come into force in respect of each Agreement, Convention and Protocol when a majority of the Parties thereto have become Parties to the present Protocol.

ARTICLE VIII

In accordance with Article 102 of the Charter of the United Nations, the Secretary-General of the United Nations will register and publish the amendments made in each instrument by the present Protocol on the dates of the entry into force of these amendments.

ARTICLE IX

The present Protocol, of which the Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited in the archives of the United Nations Secretariat. The Agreements, Conventions and Protocols to be amended in accordance with the Annex being in the English and French languages only, the English and French texts of the Annex shall equally be the authentic texts and the Chinese, Russian and Spanish texts will be translations. A certified copy of the Protocol, including the Annex, shall be sent by the Secretary-General to each of the States Parties to the Agreements, Conventions and Protocols on narcotic drugs of 23 January 1912, 11 February 1925, 19 February 1925, 13 July 1931, 27 November 1931 and 26 June 1936, as well as to all Members of the United Nations and nonmember States mentioned in Article IV.

IN FAITH WHEREOF the undersigned, duly authorized, have signed the present Protocol on behalf of their respective Governments on the dates appearing opposite their respective signatures.

DONE at Lake Success, New York, this eleventh day of December one thousand nine hundred and forty-six.

ANNEX TO THE PROTOCOL AMENDING THE AGREEMENTS, CONVENTIONS AND PROTOCOLS ON NARCOTIC DRUGS CONCLUDED AT THE HAGUE ON 23 JANUARY 1912, AT GENEVA, ON 11 FEBRUARY 1925 AND 19 FEBRUARY 1925, AND 13 JULY 1931, AT BANGKOK ON 27 NOVEMBER 1931 AND AT GENEVA ON 26 JUNE 1936

1. AGREEMENT CONCERNING THE MANUFACTURE OF, INTERNAL TRADE IN, AND USE OF PREPARED OPIUM, WITH PROTOCOL AND FINAL ACT, SIGNED AT GENEVA ON 11 FEBRUARY 1925

In articles 10, 13, 14 and 15 of the Agreement, "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations" and "the Secretariat of the United Nations" shall be substituted for "the Secretariat of the League of Nations".

In articles 3 and 4 of the Protocol, "the Economic and Social Council of the United

Nations" shall be substituted for "the Council of the League of Nations".

2. INTERNATIONAL CONVENTION RELATING TO DANGEROUS DRUGS, WITH PROTOCOL, SIGNED AT GENEVA ON 19 FEBRUARY 1925

For Article 8, the following article shall be substituted:

"In the event of the World Health Organization, on the advice of an expert committee appointed by it, finding that any preparation containing any of the narcotic drugs referred to in the present chapter cannot give rise to the drug habit on account of the medicaments with which the said drugs are compounded and which in practice preclude the recovery of the said drugs, the World Health Organization shall communicate this finding to the Economic and Social Council of the United Nations. The Council will communicate the finding to the Contracting Parties, and thereupon the provisions of the present Convention will not be applicable to the preparation concerned."

For article 10, the following article shall be substituted:

"In the event of the World Health Organization, on the advice of an expert committee appointed by it, finding that any narcotic drug to which the present Convention does not apply is liable to similar abuse and productive of similar ill-effects as the substances to which this chapter of the Convention applies, the World Health Organization shall inform the Economic and Social Council accordingly and recommend that the provisions of the present Convention shall be applied to such drug.

"The Economic and Social Council shall communicate the said recommendation to the Contracting Parties. Any Contracting Party which is prepared to accept the recommendation shall notify the Secretary-General of the United Nations, who will inform the other Contracting Parties.

"The provisions of the present Convention shall thereupon apply to the substance in question as between the Contracting Parties who have accepted the recommendation referred to above."

In the third paragraph of article 19, "the Economic and Social Council of the United Nations" shall be substituted for "the Council of the League of Nations."

The fourth paragraph of article 19 shall be deleted.

In articles 20, 24, 27, 30, 32 and 38 (paragraph 1), "the Economic and Social Council of the United Nations" shall be substituted for "the Council of the League of Nations" and "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations," wherever these words occur.

In article 32, "the International Court of Justice" shall be substituted for "the Permanent Court of International Justice."

Article 34 shall read as follows:

"The present Convention is subject to ratification. As from 1 January 1947, the instruments of ratification shall be deposited with the Secretary-General of the United Nations, who shall notify their receipt to all the Members of the United Nations and the nonmember States to which the Secretary-General has communicated a copy of the Convention."

Article 35 shall read as follows:

"After the 30th day of September 1925, the present Convention may be acceded to by any State represented at the Conference at which this Convention was drawn up and which has not signed the Convention, by any Member of the United Nations, or by any nonmember State mentioned in article 34.

"Accessions shall be effected by an instrument communicated to the Secretary-General of the United Nations to be deposited in the archives of the Secretariat of the United Nations. The Secretary-General shall at once notify such deposit to all the

Members of the United Nations signatories of the Convention and to the signatory non-member States mentioned in article 34 as well as to the adherent States."

Article 37 shall read as follows:

"A special record shall be kept by the Secretary-General of the United Nations showing which States have signed, ratified, acceded to or denounced the present Convention. This record shall be open to the Contracting Parties and shall be published from time to time as may be directed."

The second paragraph of article 38 shall read as follows:

"The Secretary-General of the United Nations shall notify the receipt of any such denunciations to all the Members of the United Nations and to the States mentioned in article 34."

3. INTERNATIONAL CONVENTION FOR LIMITING THE MANUFACTURE AND REGULATING THE DISTRIBUTION OF NARCOTIC DRUGS, WITH PROTOCOL OF SIGNATURE, SIGNED AT GENEVA ON 13 JULY 1931

In article 5, paragraph 1, the words "to all the Members of the League of Nations and to the nonmember States mentioned in article 27" shall be replaced by the words "to all the Members of the United Nations and to the nonmember States mentioned in article 28".

For the first sub-paragraph of paragraph 6 of article 5, the following sub-paragraph shall be substituted:

"The estimates will be examined by a Supervisory Body consisting of four members. The World Health Organization shall appoint two members and the Commission on Narcotic Drugs of the Economic and Social Council and the Permanent Central Board shall each appoint one member.

"The Secretariat of the Supervisory Body shall be provided by the Secretary-General of the United Nations who will ensure close collaboration with the Permanent Central Board."

In article 5, paragraph 7, the words "December 15th in each year" shall be substituted for the words "November 1st in each year", and the words "through the intermediary of the Secretary-General of the United Nations to all the Members of the United Nations and non-member States referred to in article 28" shall be substituted for the words "through the intermediary of the Secretary-General, to all the Members of the League of Nations and non-member States referred to in article 27".

For paragraphs 2, 3, 4 and 5 of article 11, the following paragraphs shall be substituted:

"2. Any High Contracting Party permitting trade in or manufacture for trade of any such product to be commenced shall immediately send a notification to that effect to the Secretary-General of the United Nations, who shall advise the other High Contracting Parties and the World Health Organization.

"3. The World Health Organization, acting on the advice of the expert committee appointed by it, will thereupon decide whether the product in question is capable of producing addiction (and is in consequence assimilable to the drugs mentioned in sub-group (a) of Group I), or whether it is convertible into such a drug (and is in consequence assimilable to the drugs mentioned in sub-group (b) of Group I or in Group II).

"4. In the event of the World Health Organization, on the advice of the expert committee appointed by it, deciding that the product is not itself a drug capable of producing addiction but is convertible into such a drug, the question whether the drug in question shall fall under sub-group (b) of Group I or under Group II shall be referred for decision to a body of three experts competent to deal with the scientific and technical aspects of the matter, of whom one

member shall be selected by the Government concerned, one by the Commission on Narcotic Drugs of the Economic and Social Council, and the third by the two members so selected.

"5. Any decision arrived at in accordance with the two preceding paragraphs shall be notified to the Secretary-General of the United Nations, who will communicate it to all States Members of the United Nations and the non-member States mentioned in article 28."

In paragraphs 6 and 7 of article 11, "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General".

In articles 14, 20, 21, 23, 26, 31, 32 and 33, "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations".

In article 21 for the words "by the Advisory Committee on Traffic in Opium and Other Dangerous Drugs" shall be substituted the words "by the Commission on Narcotic Drugs of the Economic and Social Council".

For the second paragraph of article 25, the following paragraph shall be substituted:

"In case there is no such agreement in force between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the International Court of Justice, if all the Parties to the dispute are Parties to the Statute, and, if any of the Parties to the dispute is not a Party to the Statute, to an arbitral tribunal constituted in accordance with the Hague Convention of 18 October 1907 for the Pacific Settlement of International Disputes."

For the last paragraph of article 26, the following paragraph shall be substituted:

"The Secretary-General shall communicate to all Members of the United Nations or non-member States mentioned in article 28 all declarations and notices received in virtue of the present article."

Article 28 shall read as follows:

"The present Convention is subject to ratification. As from 1 January 1947, the instruments of ratification shall be deposited with the Secretary-General of the United Nations, who shall notify their receipt to all the Members of the United Nations and to the non-member States to which the Secretary-General has communicated a copy of the Convention."

Article 29 shall read as follows:

"The present Convention may be acceded to on behalf of any Member of the United Nations or any non-member State mentioned in article 28. The instruments of accession shall be deposited with the Secretary-General of the United Nations, who shall notify their receipt to all the Members of the United Nations and to the non-member States mentioned in article 28."

In the first paragraph of article 32, the last sentence shall read as follows:

"Each denunciation shall operate only as regards the High Contracting Party on whose behalf it has been deposited."

The second paragraph of article 32 shall read as follows:

"The Secretary-General shall notify all the Members of the United Nations and non-member States mentioned in article 28 of any denunciation received."

In the third paragraph of article 32, the words "High Contracting Parties" shall replace the words "Members of the League and non-member States bound by the present Convention".

In article 33, the words "High Contracting Party" and "High Contracting Parties" shall replace the words "Member of the League of Nations or non-member State bound by this Convention" and Members of the League of Nations or non-member States bound by this Convention".

4. AGREEMENT FOR THE CONTROL OF OPIUM-SMOKING IN THE FAR EAST, WITH FINAL ACT, SIGNED AT BANGKOK ON 27 NOVEMBER 1931

In articles V and VII, "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations".

5. INTERNATIONAL CONVENTION FOR THE SUPPRESSION OF ILLICIT TRAFFIC IN DANGEROUS DRUGS, SIGNED AT GENEVA ON 26 JUNE 1936

In articles 16, 18, 21, 23 and 24, "the Secretary-General of the United Nations" shall be substituted for "the Secretary-General of the League of Nations".

For article 17, second paragraph, the following paragraph shall be substituted:

"In case there is no such agreement between the Parties, the dispute shall be referred to arbitration or judicial settlement. In the absence of agreement on the choice of another tribunal, the dispute shall, at the request of any one of the Parties, be referred to the International Court of Justice, if all the Parties to the dispute are Parties to the Statute, and, if any of the Parties to the dispute is not a Party to the Statute, to an arbitral tribunal constituted in accordance with the Hague Convention of 18 October 1907 for the Pacific Settlement of International Disputes."

Paragraph 4 of article 18 shall read as follows:

"The Secretary-General shall communicate to all the Members of the United Nations and to the non-member States mentioned in article 20 all declarations and notices received in virtue of this article."

Article 20 shall read as follows:

"The present Convention is subject to ratification. As from 1 January 1947, the instruments of ratification shall be deposited with the Secretary-General of the United Nations, who shall notify their receipt to all the Members of the United Nations and the non-member States to which the Secretary-General has communicated a copy of the Convention."

Paragraph 1 of article 21 shall read as follows:

"The present Convention shall be open to accession on behalf of any Member of the United Nations or non-member State mentioned in article 20."

In paragraph 1 of article 24, the words "High Contracting Party" shall be substituted for the words "Member of the League or non-member State".

The second paragraph of article 24 shall read as follows:

"The Secretary-General shall notify all the Members of the United Nations and non-member States mentioned in article 20 of any denunciations received."

In paragraph 3 of article 24, the words "High Contracting Parties" shall replace the words "Members of the League or non-member States bound by the present Convention".

Article 25 shall read as follows:

"Request for the revision of the present Convention may be made at any time by any High Contracting Party by means of a notice addressed to the Secretary-General of the United Nations. Such notice shall be communicated by the Secretary-General to the other High Contracting Parties, and, if endorsed by not less than one-third of them, the High Contracting Parties agree to meet for the purpose of revising the Convention."

For Afghanistan:

A. Hosayn Aziz
Dec. 11, 1946

For Argentina:

José Arce
Diciembre 11, 1946

For Australia (subject to the approval of the Government of Australia):

Norman J. O. Makin
December 11, 1946

- For the Kingdom of Belgium:
G. Kaackenbeeck
11 décembre 1946
- For Bolivia:
E. Sanjinés
14 de Diciembre de 1946
- For Brazil:
P. Leão Velloso
17 décembre 1946
- For the Byelorussian Soviet Socialist Republic:
K. Kiselev¹
11 December 1946
- For Canada:
Paul Martin
11 Dec. 1946
- For Chile:
F. Nieto del Río
11 Dec. 1946
- For China:
P. C. Chang
11 December 1946
- For Colombia:
Alfonso Lopez
December 11, 1946
- For Costa Rica:
F. de P. Gutierrez
Dec. 11, 1946
- For Cuba (sujeto a la aprobación por el Senado de la Republica):²
Guillermo Belt
Diciembre 12, 1946
- For Czechoslovakia:
V. Clementis
11 XII. 1946
- For Denmark:
Gustav Rasmussen
11 décembre 1946
- For the Dominican Republic:
Emilio Garcia Godoy
11 December 1946
- For Ecuador:
Sujeta a aprobación³
F. Illescas
Dec. 14, 1946
- For Egypt:
A. Sanhoury
11 December 1946
- For El Salvador:
11 December 1946
- For Ethiopia:
11 December 1946
- For France:
Alexandre Parodi
11 décembre 1946
- For Greece:
V. Dendramis
December 11, 1946
- For Guatemala:
Jorge Garcia Granados
13 de Diciembre de 1946
- For Haiti (ad referendum):
Hérad C. L. Roy
14 décembre 1946
- For Honduras:
Tiburcio Carlas, Jr.
December 11, 1946
- For Iceland:
11 December 1946
- For India:
M. C. Chagla
11th Dec. 1946
- For Iran:
Nasrollah Entezam
11 décembre 1946
- For Iraq:
A. Bakr
December 12, 1946
- For Lebanon:
C. Chamoun
13 décembre 1946
- For Liberia:
C. Agayomi Cassell
11 December 1946
- For the Grand Duchy of Luxembourg:
Pierre Elvinger
December 11th, 1946
- For Mexico:
Luis Padilla Nervo
Dec. 11, 1946
- For the Kingdom of the Netherlands:
E. N. van Kleffens
December 11, 1946
- For New Zealand:
C. A. Berendsen
11th December 1946
- For Nicaragua sujeta a aprobación⁴
G. Sevilla-Sacasa
13 December 1946
- For the Kingdom of Norway:
Finn Moe
December 11th, 1946
- For Panama:
R. J. Alfaro
Diciembre 15, 1946
- For Paraguay (ad referendum):
César Romeo Acosta
December 14, 1946
- For Peru:
11 December 1946
- For the Philippine Republic:
Carlos P. Romulo
December 11, 1946
- For Poland:
Dr. S. Tubiasz
Dec. 11, 1946
- For Saudi Arabia:
Faisal⁵
11 December 1946
- For Sweden:
11 December 1946
- For Syria:
F. Khouri
11/12/1946
- For Turkey (only in respect of Conventions to which Turkey is a Party):
Muzafer Goker
11 décembre 1946
- For the Ukrainian Soviet Socialist Republic (subject to approval):⁶
L. Medved
11 December 1946
- For the Union of South Africa:
H. T. Andrews
15 December 1946
- For the Union of Soviet Socialist Republics (subject to approval):
N. Novikov
11/XII—1946
- For the United Kingdom of Great Britain and Northern Ireland:
Hartley Shawcross
11. XII. 46
- For the United States of America (subject to approval):
Warren R. Austin
December 11, 1946
- For Uruguay (ad referendum):
José A. Mora
14, Diciembre, 1946
- For Venezuela (ad referendum):
E. Stolk
11 décembre 1946
- For Yugoslavia:
Stanoje Simic
11 décembre 1946
- Certified true copy.
For the Secretary-General:
A. H. FELLER
Acting Assistant Secretary-General
in charge of the Legal Department

Mr. VANDENBERG. Mr. President, this protocol has the unanimous recommendation of the Committee on Foreign Relations. It is nothing more, in essence, than the transfer of the Permanent Central Opium Board of the League of Nations to the jurisdiction of the United Nations. Probably no work that was undertaken under the old League of Nations was more effective or successful in all aspects than its control of the international narcotics trade. The pending protocol is nothing more than a transfer of the American obligation to the old Narcotics International Control to the new United Nations authority, which substitutes for the League of Nations authority in this respect.

The protocol involves absolutely no new obligations whatever. It is calculated to increase slightly the American share of expense, because the proration of expense under the United Nations is somewhat different from that of the old League of Nations. In any event the sum involved is relatively small—as I understand, \$2,000,000 or \$3,000,000.

The record of successful work in curbing international narcotics traffic has been amazing in its effectiveness, and I am sure that we all wish the effort to continue without interruption.

Mr. President, I think that is a complete statement of the case.

The PRESIDING OFFICER. The protocol is open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate.

The protocol was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive N, Eightieth Congress, first session, a protocol amending the agreements, conventions, and protocols on narcotic drugs, opened for signature at Lake Success on December 11, 1946, and signed on behalf of the United States of America on that date.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the protocol is ratified.

NOMINATION OF EDWIN C. WILSON TO BE CHIEF OF THE AMERICAN MISSION FOR AID TO TURKEY

Mr. VANDENBERG. Mr. President, as in executive session, I am sure the Senate will be very happy to confirm the nomination of Ambassador Edwin C. Wilson, who is now representing us in Turkey, to be the Chief of the American Mission for Aid to Turkey. This nomination has the unanimous and enthusiastic support of the entire membership of the Committee on Foreign Relations.

I report the nomination, and ask unanimous consent, as in executive session, for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none.

¹Kuzma V. Kiselev, 11 December 1946 (translation by the Secretariat of the United Nations).

²Subject to approval by the Senate of the Republic (translation by the Secretariat of the United Nations).

³Subject to approval (translation by the Secretariat of the United Nations).

⁴Subject to approval (translation by the Secretariat of the United Nations).

⁵Amir Faisal al Saud, 11 December 1946 (translation by the Secretariat of the United Nations).

⁶Subject to approval. L. I. Medved, 11 December 1946 (translation by the Secretariat of the United Nations).

The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Edwin C. Wilson to be Chief of the American Mission for Aid to Turkey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed; and, without objection, the President will be notified forthwith.

INFORMATION PROGRAM OF THE STATE DEPARTMENT

Mr. MYERS. Mr. President, the Senate Appropriations Committee will soon, no doubt—perhaps today or tomorrow—be reporting the appropriation bill for the State Department. We shall then know the outlook for the Department's various programs to combat deliberately lying propaganda arising against us in some parts of the world, combating this propaganda with the truth about the United States in factual, objective, unimpassioned, accurate information.

So much has been written and spoken about the Voice of America broadcasts and about the other programs of the State Department's information work that I think many of our people are confused. In this atmosphere I should like to invite the attention of the Senate to one of the finest articles I have seen on this subject. It was written not by an ivory-tower thinker but by a newspaperman, an outstanding Pennsylvania newspaperman, the new editor of the Pittsburgh Post-Gazette, Mr. Andrew Bernhard, who knows something about our information program because he was recently in Europe, where he could see not only how these programs work out but, most important of all, the need for them.

Mr. Bernhard was managing editor of the Post-Gazette when he went to Europe this year to cover the Big Four Conference of Foreign Ministers. I was so impressed by one of his early stories cabled back on March 11 that I read a few portions of it to the Senate at that time. He cautioned us not to become too excited about the extremes of optimism and pessimism which would be emanating from that Conference via the news stories from Moscow, inasmuch as the sessions were closed meetings and many reporters would periodically be going overboard on "inside dope" stories.

On his way back from Moscow, Mr. Bernhard cabled a story from Paris which was one of the best jobs I had seen of the strategic importance of food in the problems of achieving peace and restoring Europe.

Back in Pittsburgh now, and promoted to editor of the paper, Mr. Bernhard has written a story on the State Department's information program to which I call the attention of the Appropriations Committee now considering this program. His first paragraph keynotes the theme, and is as follows:

To anyone who has been in Moscow recently, the uproar here at home over the appropriation of \$31,000,000 to continue the State Department's information program abroad is incomprehensible.

Yet the subcommittee—and probably by now the full committee—has cut that amount at least in half.

His story goes on to tell how Russians, particularly, can read nothing that their

Government does not want them to read in the way of books, periodicals, newspapers, and magazines, and that the impression the Russian citizen gets of the rest of the world is precisely the impression the Russian Government wants him to get. He tells of the unremitting, violent propaganda campaign in Russia directed against the United States. He tells what we are doing about it in the magazine America, in the Voice of America radio program, and by other methods, and he gives an excellent description of what there is about the Voice of America which seems to appeal so much to the Russian listener. I think that paragraph is very incisive. Mr. Bernhard says:

It seemed to me that if they (the scripts for the program) had a fault it lay in their dullness, their adherence to straight fact and their avoidance of the color, drama and liveliness with which American domestic radio seeks to add appeal to its programs. But after awhile I came to see that it was precisely because of this flat, unemotional, objective treatment of the news that the program developed appeal among the Russians. Their emotions, nerves, eyes, and ears are continually so harried, shouted at and alarmed that they welcome a program without stridency, that appeals to logic rather than prejudice.

I commend to the Senate and especially to those members of the Appropriations Committee who have the State Department's information program presently under consideration, Mr. Bernhard's article. I now ask that it be printed in the RECORD in its entirety at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VISITOR TO MOSCOW STRESSES NEED OF UNITED STATES INFORMATION PROGRAM—AMERICANS "OVER THERE" MAY DISAGREE ON SOME THINGS BUT THEY ALL BACK PLAN, POST-GAZETTE EDITOR REPORTS

(By Andrew Bernhard)

To anyone who has been in Moscow recently, the uproar here at home over the appropriation of \$31,000,000 to continue the State Department's information program abroad is incomprehensible.

Americans stationed in Moscow, for their Government or on private business, disagree on many things. But during the Conference of Foreign Ministers, I found none who objected to the information program.

Here at home one gets the idea that the radio program called the Voice of America is the whole issue involved. It isn't, though it may well be the most important as far as Russia is concerned.

CENSORSHIP IN RUSSIA

Most Americans know that no Russian can read anything his Government does not wish him to read. No foreign books, periodicals, newspapers, or magazines can be sent into Russia without permission of the Russian Government. So the impression the Russian citizen gets of the rest of the world is precisely the impression the Russian Government wants him to get.

For more than a year the Kremlin, through all avenues of communication, has carried on an unremitting, violent propaganda campaign to convince the Russian people that the western powers, headed by a predatory, greedy United States, are conspiring to attack Russia.

The United States is pictured as a nation in the grip of blood-thirsty monopolists, who hunt down minorities like wild beasts,

who exploit the resources and people of the country and who are trying to stir up war to prevent their victims from finding out what a paradise the workers of Soviet Russia live in.

TOUGH PUBLIC-RELATIONS JOB

Unless we Americans wish to brush all that off and leave the masters in the Kremlin a clear field in their perversions of the truth, we are confronted with a job of public relations, and about the toughest job of public relations in history.

Through an arrangement with the Russian Government the United States sends to Russia 50,000 copies monthly of a slick-paper magazine called America, printed in the Russian language.

America is a combination of text and pictures presenting to the Russian reader a completely factual account of American life.

Americans in Moscow say that it is so popular with Russians that its circulation easily could be increased tenfold overnight if the Kremlin would permit it.

Considering that most Russians are aware that their government frowns on people with too great an interest in foreign affairs, that is a tribute alike to the curiosity of the Russians and to the effectiveness of America.

The magazine is part of the State Department's information program which apparently would be dropped if the people who wish to be known as the watchdogs of the United States Treasury have their way and are able to kill the appropriation for the program.

VALUE IS UNDETERMINED

The Voice of America radio program is a little harder to assay as to value, just as it is always hard to determine the number of listeners for any radio program.

A firm advertising a product over the radio in the United States judges the value of its program, finally, less by its so-called rating than by its results. If sales pick up it has proof the program is doing its job.

By that judgment the Voice of America must be doing its job. It was started without the advantage of a single word of publicity in the Russian press or on the Russian radio.

Obviously, the Russians were not going to publicize a program which might expose the falsity of their propaganda drive.

Ilya Ehrenbourg, most famous living Russian writer, attacked the Voice of America program for two or three columns in the Russian press recently. That would seem to prove that the program is hitting where it hurts, that the Russians finally decided it could no longer be ignored.

I read the Voice of America program scripts pretty regularly while in Russia. It seemed to me that if they had a fault it lay in their dullness, their adherence to straight fact and their avoidance of the color, drama, and liveliness with which American domestic radio seeks to add appeal to its programs.

SECRET OF ITS APPEAL

But after a while I came to see that it was precisely because of this flat, unemotional, objective treatment of the news that the program developed appeal among the Russians. Their emotions, nerves, eyes, and ears are continually so harried, shouted at and alarmed that they welcomed a program without stridency, that appealed to logic rather than prejudice.

Word got around, from one man to another, that at such and such a time and on such and such a wave length, the Americans were telling about America. And as Russian curiosity about America is as insatiable as American curiosity about Russia, the word circulated fast.

Of course there immediately occurs to an American the question of how many short wave sets there are in Russia. I was told that while figures were impossible to obtain, the proportion of short wave sets is far higher

there than in the United States, since the Russian radio, because of the vast distances it must cover, has developed short wave to much greater relative degree than is true in this country.

And radio sets are owned largely by professional people, engineers, scientists, managers, those best able to influence others.

Finally, both Secretary of State Marshall and Ambassador Smith have testified to the value of the State Department information program and to the Voice of America broadcast. Both of them are clearly aware of the American taxpayers' burden and are not men who wish to throw money out of the window.

Their testimony should carry considerably more weight than the prejudices of Congressman JOHN TABER, chairman of the House Appropriations Committee.

Thirty-one million dollars is a lot of money, but viewed as an advertising appropriation to build good will for us in the world it does not look so formidable.

Compared with what the Russians probably are spending it must be peanuts.

FLOOD CONTROL, RECLAMATION, SOIL CONSERVATION, RURAL ELECTRIFICATION, AND EDUCATION

Mr. THYE. Mr. President, near the close of its recent session, the Minnesota State Legislature adopted a concurrent resolution memorializing Congress to appropriate funds for a flood-control project in Clearwater and Pennington Counties, Minn. Contract plans for this vital project have been completed and approved by the Office of the Chief of Engineers of the War Department. Although the project was authorized by the Seventy-ninth Congress, work cannot proceed without appropriation of necessary funds.

Earlier in the session, a concurrent resolution was adopted by the Minnesota Legislature to memorialize Congress to authorize sufficient appropriations to make possible a flood-control project in Aitkin County, Minn.

Recognizing the merit of these concurrent resolutions passed by the Minnesota Legislature, I wish to take this opportunity to make known my views concerning such worthy projects as are mentioned in them, and also to state my convictions concerning other provisions in the appropriations acts.

I fully recognize the need for economy. I appreciate that this Congress has taken steps to bring about economy in the appropriations acts and by study of Government departments and bureaus to the end that greater efficiency may be achieved with resulting reductions in expenditures. The people are demanding a cut in the cost of Government, and that must be accomplished.

However, I do not believe that it would be an economy to reduce our appropriations to the extent that worthwhile flood-control projects are made impossible. Floods bring not only devastation of property but destruction of much tillable land as a result of erosion.

A reduction in the appropriation that would deny proper reclamation projects would be no economy. Such reduction would only deny our people opportunities. Such reduction or denial of appropriations would not permit the United States to expand into what amounts to a new frontier.

A reduction in the appropriations that would prevent a proper soil-conservation program would be no economy. Such reduction would only deny future generations fertile acres to till. In the relatively few generations of life in the United States, 282,000,000 acres of fertile land have already been depleted of top soil, and we are in the process of destroying a good many million more acres. It is time that we, the people, think of the future generations in preserving the fertility of our land, and this can be brought about only by proper provisions for a program of conservation.

There would be no economy, nor would there be a sound program for the welfare and safety of the people in the rural areas of the United States, were we to deny an adequate and proper appropriation for rural electrification. This is nothing more than a book transaction on the part of the United States. The appropriation is made available as a loan to an association for the construction of the line and service to the people, and they in turn pay it back on a monthly installment basis with interest. In the history of rural electrification the payments have been forthcoming and oftentimes far in advance of their due date. As a result of this program there have been expanded production on the farm and increased safety by the elimination of the hazardous lamp and lantern about the farm. No project has been more worthy than the REA.

There would be no economy in failing to make adequate provision for research in agriculture and forestry. Only by such research can we help lay the foundations for a soundly developed rural life and a prosperous farm industry. Only by such research can we find the means of protecting our priceless forest resources and the better use of forest products. These programs will mean a better life for the future, and we must provide for them now.

While I am speaking at this time of appropriations for these worthy objectives, they are not the only important needs I have in mind. One of the most vital of all is the obligation of the American people to provide proper educational facilities for our youth. They are the men and women of tomorrow. We are living in a mechanical age, highly scientific in every respect; and in order that we may keep strong and progressive this Nation of ours, youth must be trained and educated to meet the demands of this new scientific age.

Mr. President, I ask unanimous consent that the concurrent resolutions of the Minnesota Legislature, to which I have referred and in which I concur, be printed in the RECORD at this point.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing the Congress of the United States to speed action in appropriating funds for the improvement of Red Lake River and tributaries in Clearwater, Red Lake, and Pennington Counties, Minn.

Whereas unprecedented flood conditions along the Red River of the North and tributaries are at this very time inundating thou-

sands of acres of farm land, flooding cities and disrupting sewerage, water supply and other public utilities, and removing from crop production, hay, pasture and feed for livestock, hundreds of farms within the area; and

Whereas the United States Corps of Engineers, War Department, have completed plans and have approved, in its report to Congress contained in House Document No. 345, Seventy-eighth Congress, first session, on Red Lake River and tributaries including Clearwater River, dated October 25, 1943, a plan of flood control for these streams; and

Whereas local affected interests have already subscribed to all of the conditions for participation in the project set forth in said report; and

Whereas the actual commencement of construction awaits action by the Congress to appropriate the necessary funds: Now, therefore, be it

Resolved by the Senate of the State of Minnesota (the House of Representatives concurring), That the Congress is respectfully urged to appropriate immediately the necessary funds to enable the United States Corps of Engineers to undertake the flood-control project outlined and recorded in House Document No. 345, Seventy-eighth Congress, first session, hereinbefore referred to, so as to prevent the recurrence of the disastrous floods which at present are devastating agriculture, municipalities, and industries within the area; be it further

Resolved, That a duly authenticated copy of this resolution be transmitted to the President of the United States, to the presiding officers of the Senate and House of Representatives of the Congress of the United States, and to each of the Senators and Representatives of the State of Minnesota in the Congress of the United States.

LAWRENCE M. HALL,

Speaker of the House of Representatives.

C. ELMER ANDERSON,

President of the Senate.

Adopted by the house of representatives the 23d day of April 1947.

G. H. LEAHY,

Chief Clerk, House of Representatives.

Adopted by the senate the 23d day of April 1947.

H. Y. TORREY,

Secretary of the Senate.

Concurrent resolution memorializing the Congress of the United States to appropriate funds for the Mississippi flood control in Aitkin County

Whereas the Mississippi River makes a sharp bend in Aitkin County, which is 23½ miles around, and only 6 miles across from one point in the river to the other; and

Whereas the Mississippi River at this point overflows its banks at regular intervals, flooding the area encompassed in the river basin, causing great damage to the farmers owning this land; and

Whereas the lands flooded by the Mississippi River in Aitkin County are rich agricultural lands and these lands are kept out of production due to the high water; and

Whereas the Corps of Engineers of the War Department has examined and made a preliminary survey of the locality in Aitkin County for flood control and allied purposes and its report is now in the office of the Chief of Engineers, Washington, D. C.; and

Whereas the Corps of Engineers has recommended that a canal be constructed across the 6-mile strip to channel the Mississippi River away from the lowlands in Aitkin County; and

Whereas it is to the benefit of the farmers of Aitkin County and the public generally that these floods be controlled and prevented from damaging property: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Legislature of the State of Minnesota memorialize the Congress of the United States to appropriate funds for the Mississippi flood control in Aitkin County: be it further

Resolved, That the secretary of state be instructed to transmit a copy of this resolution to the President of the Senate, the Speaker of the House of Representatives, and to each Member of Congress from the State of Minnesota.

LAWRENCE M. HALL,

Speaker of the House of Representatives.

C. ELMER ANDERSON,

President of the Senate.

Adopted by the house of representatives the 15th day of April 1947.

G. H. LEAHY,

Chief Clerk, House of Representatives.

Adopted by the senate the 23d day of April 1947.

H. Y. TORREY,

Secretary of the Senate.

PRESIDENTIAL SUCCESSION

The Senate resumed the consideration of the bill (S. 564) to provide for the performance of the duties of the office of President, in case of the removal, resignation, or inability both of the President and Vice President.

Mr. WILEY. Mr. President, we have agreed to vote next Friday at 2 o'clock on what is known as the Presidential succession bill. The time between 12 and 2 o'clock is very short, and probably all proponents and opponents of the bill will want to speak.

The bill provides that—

If, by reason of death, resignation, removal from office, inability, or failure to qualify, there is no President pro tempore to act as President under subsection (b), then the officer of the United States who is highest on the following list, and who is not under disability to discharge the powers and duties of the office of President shall act as President: Secretary of State, Secretary of the Treasury, Secretary of War, Attorney General, Postmaster General, Secretary of the Navy, Secretary of the Interior, Secretary of Agriculture, Secretary of Commerce, Secretary of Labor.

That is the end of the amendment, Mr. President; that is all it affects.

The amendment the committee has reported would have been fine until the atomic age came over the horizon, because during our previous life as a Nation no one could conceive that so many people in our official life could die at one time or in an interval of 4 years. In other words, we had not lifted our mental visors to what happened at Hiroshima. But Hiroshima ushered in a new age.

It is well known that the bomb which was dropped at Hiroshima was only a baby bomb, and that if an atomic bomb were to drop on Washington, everyone of us, including the President pro tempore, the entire Senate, and the entire House of Representatives, would go out of business, would check into life on another sphere.

I do not make these statements because of fear, but because history is rife with illustrations of the need for establishing an orderly succession. We remember Rome in the age of the Triumvirate. What we must do now, if we are to establish a sound law of succession,

is to make sure that it is adequate in this atomic age.

So I have prepared a very brief amendment which I ask to have printed at this point in the RECORD as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 6, line 6, before the period, insert a comma and the following: "the highest ranking of those military or naval officers of the United States who are on active duty, are not under disability to discharge the powers and duties of the office of President, and are eligible to the office of President under the Constitution."

On page 6, line 14, after the word "individual", insert the following: "(other than a military or naval officer)."

Mr. WILEY. Mr. President, this amendment to Senate bill 564 is predicated on the assumption that all the civilians already contemplated for succession will have been annihilated. Let me say that had the atomic bomb been dropped on Tokyo, the Japanese Emperor and all his family and all the Japanese Diet and all the other leading men and women of Japan would have been wiped out.

By my amendment I propose to insert the following in Senate bill 564:

The highest ranking of those military or naval officers of the United States who are on active duty, are not under disability to discharge the powers and duties of the office of President, and are eligible to the office of President under the Constitution.

Mr. President, I never was more serious in my life than I am at this moment. I would be the last person in the world to say that this Nation should be turned over to the military; but this amendment only assumes that the President and Vice President and the Cabinet are no longer living, and that could only occur in time of war.

Today I am arguing briefly for the old American principle that we are a government of law, rather than simply a government of men. So, if we establish a rule of succession, it should be one which will guarantee that others will not be striving for supremacy, and that we shall not repeat the history of Rome. Under my amendment, the highest-ranking officer, whoever he might be, would automatically become the Commander in Chief and acting President of the United States.

I say again that these things may never happen; but, as we all remember, Billy Mitchell, that great American, tried to tell the brass hats in his age what would happen; and even when he demonstrated that an airplane could sink a battleship, still they would not believe it.

Certainly we cannot close our eyes to the lessons of Hiroshima and the meaning of this atomic age. In other words, in a future war the victor would be the nation which could first disorganize its opponent, and the way to do that would be to destroy its governmental machinery. A nation thus attacked would be taken over. Of course, we hope that no such thing will ever happen. I say that this succession bill would have been all right until a few years ago, but today

it is out of date, it is as dead as dead can be, because it does not meet the situation which can develop overnight.

Mr. President, my reason for providing in the amendment that the highest ranking of our military or naval officers shall be next in succession is that all of us know that the military or naval officers take their rank in accordance with the date of their appointment. That provides a very easy way of arriving at the decision of who would be in command of this country, and who then would have to go to work and take on the job of synchronizing the remaining resources of the United States, material, human, and spiritual. It is a matter which we cannot ignore. I trust that between now and Friday, when this measure comes before the Senate, my colleagues will give thought to my amendment. I am seriously concerned about it.

Mr. President, as I look around the Senate Chamber now and think of the tempest in the teapot of yesterday, I am reminded of Kipling's words, "The tumult and the shouting dies." Let me paraphrase that by saying—

The tumult and the shouting dies,

The fearists and the false depart;
Hope shines bright in the Nation's eyes,
Love surges in the Nation's heart.

United, strong, we face the dawn;

We shun all fear, and march ahead
Forthrightly. We, the Nation's spawn,
Are true through all. We scorn the Red.

The checks and balances we have,

The faith the centuries have wrought,
Come to us by the word of God.

This is the truth the people sought.

The doubters and the leftists cease

Their yapping and their spurious fears.
The people rise and gain release.

Restored, we have the golden years.

Mr. President, I am especially concerned to have my dear friend the Senator from Nebraska [Mr. WHERRY] give consideration to this amendment to his bill, because, although his bill is all right as far as it goes, nevertheless I think it ignores the implications of the atomic age. Although I expect to listen quietly on Friday to the Senators who will speak on the bill, I trust that my amendment will be accepted and taken to conference, at least, and there, if necessary, rewritten, in order to be more adequate to meet the challenges of these days.

I know that some people may feel that by my amendment I have created fear, but I say that nothing of the kind should occur. I believe there are occasions when we must face the realities. A few years ago anyone who read some of the Buck Rogers stories would have said those things could never happen.

Yet, Mr. President, the escapades of Buck Rogers are here in reality. If Senators have been reading recent newspaper articles, they will have seen that planes are now being built which will travel up to 2,000 miles an hour, and we are contracting for them. Even now this continent is only 4 hours away from Europe, and that traveling relatively slow. So I say that in this shrunken world, where time and space exist no longer, it is obvious that we must be prepared for an

emergency government, with the speed and adequacy necessary in this atomic age. Every preparation against a war emergency makes that emergency less likely to happen. But one thing is true above all others; there must be order in our law, so that whatever happens the succession provided will be adequate to the emergency.

THE STEEL INDUSTRY

Mr. MURRAY. Mr. President, the United States is confronted with the greatest demand on its industrial capacity that has ever been faced by any industrial nation. We are operating at a full-employment level in our domestic economy, and now must prepare to meet heavy requirements from foreign countries. Whole nations have had their heavy industries destroyed, and generally the industrial establishment of the nations of the world has deteriorated over the war years.

The role of the United States in the rehabilitation of these war-stricken nations is limited by the capacity of the industries of our country to meet the needs of a full-employment economy at home and the rebuilding of shattered foreign industrial economies. In these remarks I wish to offer some observations on the adequacy of the capacity of the steel industry, of an industry so basic that without its contribution neither of these objectives can be attained.

At a recent meeting of the American Iron and Steel Institute, certain leaders of the industry expressed their attitudes respecting the current and future demand for the products of the steel industry. Their views may be summarized as follows. While the steel industry, working at capacity, is not able to meet the present domestic demand for steel, the industry believes there is no case for an increase over the present capacity of 90,000,000 tons. Yet, small independent businesses are closing and many others are curtailing production due to lack of steel.

The demand is abnormal—it cannot last, they declare. One steel company president put forth the argument that per capita consumption over the period of 1920-40 should be the guide in judging the need for steel capacity. Implicit in this presentation is the assumption that conditions of depression are a part of the industry's concept of normalcy. Some leaders of the industry even anticipate the beginning of a depression in late 1947 and consequently a lessening of the demand for steel.

These views should occasion no surprise, coming from the representative of a monopolistic industry with its long history of policies of high prices and profits and low volume of production. The restrictive policy of the steel industry with its emphasis on steel scarcity has been an important factor in lessening industrial activity and thereby bringing on and perpetuating depressions.

All the objective analyses that I know of, including Department of Labor studies, memoranda of leading economists, and testimony at various committee hearings by users of steel and so

forth, show clearly that the demand for steel is an expanding one. Instead of the present capacity of 90,000,000 tons, we shall need 100,000,000 tons per year or more in the very near future for domestic use and for our foreign-trade obligations. If the industry fails to expand, or if it contracts to 80,000,000 tons, as has been suggested by some steel producers, we shall be at least ten to twenty thousand tons short of what our economy needs to work at high levels. This, according to the record of unemployment in the 1920's and 1930's, means that industrial production and recovery would be held back and as many as 20 percent of the necessary job opportunities would not be available. Ten to twelve million people out of a total of around 60,000,000 would be idle.

If the leaders in the steel industry can take this prospect of mass unemployment without being greatly concerned, the public and the Congress of the United States cannot. A Nation that adopted the Employment Act of 1946 as an instrument of national policy will not again accept depression conditions as a basis for industrial policy or decisions of the steel industry.

Steel is so important that an advanced industrial society cannot operate at capacity with chronic shortages of steel products.

For the first time in our peacetime history our economy has been straining to operate at full capacity. The one great obstacle to this achievement has been a shortage of steel products. While the steel industry is operating at capacity, many steel-consuming industries are not. The recent numerous shutdowns of the automobile industry because of steel shortages with the falling off in car production and employment are known to everyone.

Only recently publicity was given to an imminent shortage of several thousand box cars because steel is not available with which to make them. I need not tell you the disastrous effects of this one shortage on all farming areas, particularly the region west of the Mississippi River. This one shortage effectively cuts down our ample food supply and curtails our ability to feed other nations. It also affects employment. Thousands of men would have gainful employment in the manufacture of these box cars, others in their servicing, and still others in moving the crops into the cars for shipment. Thus the shortage of this great basic commodity—steel—has accumulative effect and progressively lowers industrial activity.

The effect of the steel shortage is being felt in another vitally important segment of our domestic economy—the oil industry. Oil well casing, line pipe, compressors, and other production and distributive tools of the industry are so scarce that many independent producers are being forced to shut down at a time when increased production of oil must be achieved to meet our national and international requirements. For example, it has been estimated by government and industry experts in this field that if pipe mill output from United

States steel mills continues at about the present rate, it would require 5 years to produce the pipe necessary to supply prospective oil and natural gas pipe-line construction in the United States and abroad.

If, however, existing mills could be operated at capacity, turning out only large diameter pipe, it is estimated that they should be able to supply the required tonnage in from 3 to 3½ years, or by the summer of 1950. It should be borne in mind that these figures apply to large diameter pipe only and do not include supply-requirement figures on pipe under 12 inches in diameter, which is universally required for the drilling of wells by the great majority of oil producers. Hence, it is clear that unless the current shortage of steel and steel products is rapidly overcome through expanded mill capacity and increased production, the impact upon the domestic oil industry will be felt not only in continued shortages of petroleum products within the United States but also in the weakening of our ability to maintain our position of preeminence in the highly competitive international field.

I wish to cite one other effect of the shortage of steel on the development of industries in my own section of the country, the West. Recently the president of the Geneva Steel Corp. of Utah, a subsidiary of the United States Steel Corp., addressing a group of businessmen in Boise, Idaho, had the following to offer concerning the effect of steel shortages on the industries of the intermountain States, and I quote his remarks:

For the near future, the continuing steel shortage not only in the western market but in steel markets generally will act as a definite deterrent to the establishment of fabricating plants in the intermountain area. The steel shortage would not only affect the ability of a company to obtain steel for the erection of a plant and the acquisition of equipment; it would also seriously impede the company's ability to obtain steel stocks for use in its fabricating operations.

The Iron Age, traditional spokesman for the steel industry had this to say about the effect of the steel corporations' pronouncement on the development of western industry:

Some of the overenthusiastic boosters for the industrialization of this area were saddened a little by a portion of a speech delivered by Walter Mathesius, president of the Geneva Steel Co., before a business group in Boise, Idaho.

Mr. President, the announcement by the steel corporation that they are unwilling to take steps to insure the development of the West amply confirms the fears of those of us who declared our opposition to the sale of the Geneva steel plant to this great monopoly. Here is a self-admission by the leading member of the steel industry that they are unprepared and unwilling to carry out the expansion in the basic steel industry of the West which will insure the industrial development of the Intermountain States.

Full employment and the development of regional industry are not compatible

with the policy of restriction of production. This policy carries the seeds of another depression in the future, as it has in the past.

The leaders in the steel industry may be right in their fears that a let-down from the present high level of demand may soon be upon us, and that we have shown ourselves poorly prepared to prevent it. All the more reason for taking steps now to make sure that the subsequent restoration of full employment following any recession is as speedy as possible and that shortages in raw material production and capacity do not delay that recovery.

It is not sufficient for leaders of industry to say that uncertainty of future demand makes expansion unwise. That is tantamount to an abdication of the basic function of industrial leaders in our free competitive enterprise system. If industrial leaders are unable or unwilling to take risks involved in expanding the productive facilities required by a growing population whose living standards are bound to continue to rise, some other assurances for maintaining an expanding economy must be devised.

Mr. President, I have the following positive program to suggest as a basis for discussion of the ways and means of obtaining the expansion of our steel capacity necessary to the maintenance of a full-employment economy, the development of our underindustrialized areas, and our proper participation in the rehabilitation of western European nations.

In the first place, our knowledge of the extent and character of our steel shortages is insufficient. We know that the industry is not able to supply current demands. We know the present capacity of the industry will be insufficient to meet demand for years to come. But the nature of this demand by type of products and by areas of the country's need is a matter of guesswork. The facts are simply not available. I recommend that a resolution, with an adequate appropriation, be adopted requiring the appropriate division in the Department of Commerce or a section of the Council of Economic Advisers to make a continuing study of steel supply and demand by the different basic products of the industry. This knowledge, it must be emphasized, may well be the key to the maintenance of full employment at home, to our assumption of leadership in rehabilitating stricken foreign countries, and in preserving the peace of the world.

In the second place, once the nature and extent of the steel shortage has been ascertained, a policy for the further expansion of the industry must be set forth. I suggest that the facts on steel shortages be considered by the President, who can then transmit his recommendations to the Congress for appropriate action.

In the third place, I wish to point out the alternatives available to the Congress and the President in effecting the needed expansion of steel production. I favor the expansion of the industry by private enterprise based on the principles of a free competitive economy. Under these conditions I urge expansion by the present members of the industry. I certainly think adequate precaution should

be taken to guard against a monopolistic situation in any geographic area such as exists in the West at the present time. In the event unaided private capital is unequal to the expansion, or unwilling to make it, I suggest the use by private industrialists of public funds from a Government lending agency on such terms and conditions as would insure the most rapid development of the needed additional capacity. I would consider here long-time loans at low rates of interest. It may be necessary to add the provision in this plan that the lending agency would suspend interest payments when for any prolonged period of time the industry's operating rate fell below a certain level of plant capacity.

As a last alternative, if the others fail, is the one followed during the war in most of our great war-plant construction. Here I refer to the use of public funds and construction of a Government-owned plant to be leased for private operation. I trust this third method will not prove to be necessary but as I conceive the problem there can be little doubt that steel capacity is inadequate to meet the twin needs of a full employment economy and American obligations to a war-stricken world.

It will not be difficult to convince a country which almost doubled its manufacturing plant capacity in a period of five war years that it could now make an expansion in the capacity of this great industry so necessary for the objectives which I have outlined. We need more steel capacity and production to sustain full employment of our people. We must get that needed production.

Mr. President, I ask unanimous consent to have inserted in the RECORD at the conclusion of my remarks a memorandum on the estimates of steel required for full employment in the United States, together with a critical examination of certain figures presented on that topic by Mr. Wilfred Sykes, president of the Inland Steel Co. of Chicago. This memorandum has been prepared at my suggestion by an outstanding Government economist, Dr. Louis H. Bean, Special Assistant to the Secretary of Agriculture.

I ask that his letter of transmittal be included with the memorandum.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, June 17, 1947.

HON. JAMES E. MURRAY,
United States Senate.

DEAR SENATOR MURRAY: This is in response to your letter of June 2 in which you request my appraisal of the data contained in the recent speeches by Mr. Walter S. Tower, president, American Iron and Steel Institute, and Mr. Wilfred Sykes, president, Inland Steel Company before the American Iron and Steel Institute, particularly as they relate to my recent memorandum to you on steel requirements for full employment. You also requested comment on the relation of steel production to agricultural welfare. I have attempted to deal with both of these questions in the attached memorandum.

With regard to the farmers' interest in steel production sufficient to maintain full employment, the memorandum points out briefly that the volume of industrial goods

and services available to farmers for use in their production and in their homes depends on the general level of industrial production and, therefore, also on steel, inasmuch as steel is basic to our entire industrial structure. Farm income and its purchasing power rises and falls with industrial production and employment. In prosperity years, farm purchasing power is basically limited by the level of employment and industrial production. Using steel as a symbol of industrial activity, this interdependence between agriculture and industry is summarized in the fact that a shortage of one ton of steel below the volume required for full employment means \$250 to \$300 in farm purchasing power at present prices.

With regard to Mr. Sykes' estimates of steel required for full employment, the present memorandum points out the following:

Mr. Sykes assumes that there is a constant, not a rising, per capita demand for steel in the United States, that the maximum per capita demand attained 18 years ago in 1929 is the best we can look forward to in the future, that on the basis of expected population growth, the 1929 per capita domestic consumption, with allowance for moderate exports, would mean a total demand of 76,000,000 tons in 1950 and 78,000,000 tons in 1955, and that in view of this prospect the present capacity of steel, which has been reduced from 95,000,000 in 1945 to 91,000,000 as present, should probably be reduced further to a "real economic capacity" of around 80,000,000.

In contrast with these assumptions and estimates, the actual record of production for domestic use and for export shows that there have been a succession of peak levels with a marked rising trend; that the peak reached in 1902 of 422 pounds per capita was exceeded by 614 pounds in 1906, then by 632 in 1910, by 735 in 1912, by 886 in 1920 (skipping the war years), by 899 in 1923, by 922 in 1926, by 1,038 in 1929, and by 1,243 in 1941. This persistent trend points to a prosperity requirement of nearly 1,400 pounds for 1950, instead of 1,100 as estimated by Mr. Sykes.

The failure to recognize this persistent upward trend in per capita demand leads to Mr. Sykes estimating steel requirements for 1950 at only 76,000,000 tons and for 1955 at only 78,000,000 tons, instead of 100,000,000 tons or more as suggested by the analysis in my memorandum. Past experience suggests that steel production of seventy-six to seventy-eight million tons would mean keeping the industrial production level in the early 1950's down to a point where only 80 percent of the necessary job opportunities would be available, and this would mean unemployment of 10,000,000 or more. On the basis of \$250 of farm income for every ton of steel short of the volume required for full employment, this could mean a shortage in farm income of at least \$5,000,000,000 annually.

Sincerely yours,

LOUIS H. BEAN,
Office of the Secretary.

MEMORANDUM TO SENATOR MURRAY ON THE SYKES ESTIMATES OF STEEL REQUIRED FOR FULL EMPLOYMENT

This memorandum is in response to the following letter of June 2 in which you request my appraisal of the data on future steel requirements contained in the recent addresses presented by Messrs. Sykes and Tower before the American Iron and Steel Institute:

"DEAR MR. BEAN: The press has recently carried reference to papers presented at the general meeting of the American Iron and Steel Institute. I noted particularly the references to a paper on the future of the steel industry by Mr. Wilfred Sykes, president, Inland Steel Co., of Chicago, and also a paper by Mr. Tower, president of the American Iron and Steel Institute. The

data cited in those papers, as representing future steel requirements, appeared to be at variance with the analysis contained in the memorandum which you were good enough to prepare for me under date of May 9, on steel requirements for full employment.

"Will you be good enough to review these statements and let me have your appraisal of the statistical information contained in them insofar as they bear on the conclusions in your memorandum?"

"I would also appreciate it if you could include in your memorandum such comments as your studies in agricultural-industrial relations warrant that have a bearing on farmers' interest in adequate steel capacity?"

The answer to your second question I believe can be given in relatively brief form and I would like, therefore, to deal with it before taking up the comparison of Mr. Sykes' data and projections with those I presented to you.

A. DEPENDENCE OF FARM INCOME ON STEEL PRODUCTION

As producers of food and industrial raw materials for the rest of the Nation, farmers must have a high level of industrial employment and purchasing power to secure an adequate return for their labor. As consumers of industrial goods and services for production and for use in their farm homes, they are interested in their proper share of a constantly rising volume of industrial output. And, as citizens desiring world peace, they are interested in promoting a high level of world trade in agricultural and industrial products. For these reasons, the welfare of farmers is directly involved in our ability to maintain full employment, and for the same reasons they are directly involved if there is any question as to the adequacy of supplies of the major industrial products, such as iron and steel, for maintaining full employment and national purchasing power.

Farmers thus have the same interests in adequate steel capacity for full employment as do other groups. Farmers as producers and consumers constitute a large part of the American economy. And any limitation to the national level of production of goods and services, due to the inadequate supply of iron and steel and their products, is automatically a limitation on farm machinery, equipment, automobiles, tractors, and other industrial goods and services farmers require for maintenance of their output. It is also a limitation on the goods and services generally available for the farmers' standard of living for which they exchange their annual output. Obviously, the greater the volume of industrial production and of steel in the United States, the greater the farm income, and the greater the volume of industrial goods available to farmers for purchases for use in their production and in their homes. At the present time, every ton of steel short of the tonnage required for full employment means about \$250 less in farm purchasing power.

This dependence of farm purchasing power on industrial production and, therefore, on steel production, is illustrated in the 20-year record of the purchasing power of farm cash income and production of steel ingots and castings, shown in chart I. After World War I, both agriculture and industry, the latter represented here by steel production, were caught in a major deflation and depression. The subsequent rise in industrial production made it possible for the purchasing power of farm income to rise to higher levels. As the production of steel rose to 63,000,000 tons in 1929 compared with 47,000,000 tons in 1920, the purchasing power of farm income rose to \$15,000,000,000 (at 1946 prices) compared with 12.5 billions in 1920. Between 1929 and 1932, agriculture and industry were both caught in the greatest depression in our history. They went down together in depression and rose together in

response to recovery efforts. The rise in purchasing power of farm income from 1932 to 1937, from about \$10,000,000,000 to about 13.5 billions, was limited by the rise in industrial production. Both the production of steel and the purchasing power of farm income failed in 1936 and 1937 to reach their predepression peak of 1929.

This over-all relationship between farm income and industrial activity at full employment levels, as represented by steel, may be summarized by pointing out that in the prosperity years 1920, 1923, 1928, and 1929 farm income amounted to \$260 to \$300 (at present prices) for every ton of steel produced. In 1940 and 1941, it amounted to \$230. And for 1947 it is likely to be over \$300. It is probably not stretching the fact of interdependence between farm and factory too much to say that for every ton of steel below the volume required for full employment, farmers now have a stake of at least \$250 to \$300.

Farm income and steel production

Year	Purchasing power of farm cash income ¹	Production of steel ingots and castings	Purchasing power of farm income per ton
	Billion dollars	Million tons	Dollars
1920.....	14,114	47.2	300
1923.....	14,155	50.3	281
1928.....	15,334	54.1	284
1929.....	16,704	63.2	266
1936.....	15,093	53.5	282
1937.....	15,201	56.6	269
1940.....	15,388	67.0	229
1941.....	19,163	82.8	231
1947 (estimated).....	27,000	85.0	318

¹ At 1947 prices paid by farmers, taken as 225 percent of 1910-14.

B. COMMENTS ON MR. TOWER'S ADDRESS

Of the two papers delivered before the general meeting of the American Iron and Steel Institute on May 22, referred to in your letter, only the paper by Mr. Sykes contains data directly related to the data in my memorandum. Mr. Tower's paper, therefore, needs only brief comment.

At one point, he refers to the current concern over the adequacy of steel production to sustain full employment. He cites and casts doubt on the conclusions reached in the studies of the United States Department of Labor that, by 1950, the maintenance of full employment will require considerably more steel than is being produced at present. In contrasting the situation in 1919 and 1920 with the present, he says that "it was not until 1929 that steel production rose high enough to exceed the figure of war-created capacity." He hints at an impending depression by pointing out (a) that in 1919 "enthusiastic estimates were freely circulated as to building to be done, automobiles to be made, and exports to be shipped," and (b) that in 1920 "steel was riding high on a wave of optimism when you met in May of 1920. Steel is riding high as you meet here today. I hope that the similarities may not hold beyond this point."

There is nothing in this speech that deals specifically or quantitatively with the magnitude of the domestic or foreign outlet for iron and steel for the immediate future or for the long-run.

C. COMMENTS ON MR. SYKES' ESTIMATES OF STEEL REQUIRED FOR FULL EMPLOYMENT

Unfortunately, Mr. Sykes' estimates of steel required for full employment in 1950, like the projections suggested by the data in my memorandum, do not have the benefit of a survey of the domestic and foreign markets for iron and steel for 1950 and beyond. Consequently, the differences between his estimates and those I supplied to you, which I shall point out presently, turn out to be

merely differences in the art of examining and analyzing the historical record of steel production and of inferring from the trend of that record the volume of steel that is most likely to be needed to maintain full employment in 1950 and subsequent years.

To emphasize the fact that the differences are merely statistical, it may be added that two elements of uncertainty in the need for steel consumption and capacity, about which there generally are differences of opinion, Mr. Sykes dismisses as relatively unimportant. In my memorandum I raised the question as to the trend in competition from plastics and light metals as possibly affecting the upward trend in steel requirements. Mr. Sykes dismisses this as immaterial. With regard to light metals, he says:

"The light metals and their alloys will not make inroads on the steel industry. They will create their own fields, and their production will continue to increase."

I also referred to the current discussions in the steel industry with regard to technological developments that might yield greater production of iron and steel without plant expansion. On this point, Mr. Sykes: "Improvements in the technology of iron and steelmaking will continue, but that they will be of such a radical nature as to make obsolete any of our major installations is not likely to occur within the next few decades."

Mr. Sykes estimates that the annual peak demand in total ingot tons is not likely to exceed 80,000,000 tons before 1955. The peak in per capita demand that might occur in the immediate future is estimated at 1,061.5 pounds for 1950, and 1,059.0 pounds for 1955. These estimates are obtained by taking the 1929 maximum domestic demand of 978 pounds and adding 83.5 pounds for export demand for 1950 and 81.0 pounds for 1955. On the basis of the expected population in 1950 (143,896,000), and in 1955 (148,186,000), Mr. Sykes estimates the maximum consumption of steel ingots at 76,373,000 for 1950, and 78,464,000 for 1955. These represent respectively 83.7 percent and 85.9 percent of the present capacity of 91,241,250 tons.

Mr. Sykes adds:

"While the present rate of operation exceeds the above indicated maximum demand per capita, it is a condition which I feel is temporary. For normal peacetime purposes a peak domestic demand of about 1,000 pounds per capita can be anticipated which would add about 2 percent to the above totals."

"If we project this reasoning to the year 1975 with an anticipated population of about 163,000,000, we arrive at a maximum demand of about 90,000,000 ingot tons, allowing 10 percent for export. This is so far in the future that any such speculation is of doubtful value except to establish the general order of magnitude."

"It will be seen from this analysis that our present productive capacity would seem to be ample for our future needs for many years to come. However, I do not believe it is excessive because included in our present nominal capacity there is undoubtedly a great amount of equipment which is not economical and which probably should be discarded. It is my estimate, and I want to emphasize that it is only an estimate, that our probable real economic capacity in this country is somewhere around 80,000,000 ingot tons per year, which balances up pretty closely with the anticipated, or possible, demands within the next 5 or 10 years. These figures would seem to indicate that no expansion in ingot capacity is required in the near future although, of course, there may be additional plants built either to replace existing uneconomical units or to satisfy some special needs."

From the same records, I conclude that the per capita requirements for domestic and foreign demand for 1950 are more likely to

be close to 1,400 pounds, or a total of around 100,000,000 tons, instead of 1,100 pounds per capita, and a total of less than 80,000,000.

This conclusion, that the demand for steel is not likely to exceed 80,000,000 tons before 1955, that 11,000,000 tons of present capacity of 91 millions probably should be discarded, is due (a) to the fact that Mr. Sykes reads the steel-production record in terms of selected averages covering prosperity and depression years instead of in terms of the experience in years of full employment, and (b) to the fact that he assumes the maximum consumption attained nearly two decades ago in 1929, will not be exceeded in the future.

The per capita consumption during the 30 years prior to the last war (1911-40), Mr. Sykes says, remained fairly constant and he supports this statement with the facts (a) that "the average per capita domestic demand for steel, based on ingots produced from 1911 to 1920, was 666 pounds, and from 1921 to 1940 it was 668 pounds," and (b) that "In the 10 years from 1921 to 1930, when we had a period of considerable expansion and rehabilitation following the First World War, the per capita domestic demand averaged 770 pounds. In the decade from 1931 to 1940, when we went through a period of unprecedented depression during much of which business practically stagnated, the average per capita demand dropped to 576 pounds. This is, however, a cyclical variation."

After presenting the yearly record of domestic demand per capita from 1920 to 1940 inclusive, Mr. Sykes adds:

"It should be noted also that the greatest per capita demand occurred in the decade immediately following the First World War, when the average reached 770 pounds with a peak of 978 pounds per capita in 1929, whereas in the second decade of this period the average dropped to 576 pounds with a peak per capita demand of 838 pounds in 1940, which was influenced by prewar preparations."

The significant features in Mr. Sykes' examination of the record thus are:

1. His conclusion that per capita consumption has remained fairly constant.
2. His assumption that the 1929 peak is apparently the best that can be anticipated, and
3. His comment that the peak in the 1931-40 decade, namely, that of 1940, was influenced by prewar preparations.

With regard to point 1, it should be noted that Mr. Sykes deals with averages covering years of prosperity and depression. Since he is projecting steel demand for maximum or full employment conditions, his analysis should deal with the full employment experiences. Had he done so he would have observed that in the prosperous year of 1920 domestic demand per capita amounted to 752 pounds; in the succeeding prosperous year, 1923, 847 pounds; in the next prosperous year, 1926, 874 pounds; and in 1929, 978 pounds. For prosperity years, this record actually shows a rising trend in domestic per capita consumption, and, therefore, it would be reasonable to expect the 1929 peak to be surpassed, just as every other peak prior to 1929 has been surpassed, unless one is of the belief that the steel industry has at last attained maturity and entered a period of stability or decline after reaching the 1929 peak.

With regard to the 1940 consumption of 838 pounds, it should be noted that while it may have been influenced by war preparations, it was even more seriously influenced by the prevalence of unemployment in the United States which had the effect of curtailing domestic demand. Had we had full employment in 1940, steel production would have been at least 10,000,000 tons greater than it was. Consequently, the failure of the 1940 consumption to equal or

exceed the 1929 figure is no evidence of a down-turn in the rising trend of demand in full employment years indicated by the long-time record up to 1929.

In order that you may see quite clearly the differences between the Sykes' estimates and those that may be derived from my presentation, I attach hereto three of the four charts included in my previous memorandum showing (1) United States production of steel ingots and castings, 1900 to 1947, with a rising trend for prosperity years, (2) the rising volume of production required to sustain full employment, and (3) the production of steel ingots and castings and unemployment, 1920-1947. There is also included a fourth chart on a per capita basis which shows clearly the rising trend in maximum production from 1900 to date. In each case, I have had added the Sykes' estimates, or their equivalent.

In chart I, you will note the long-time trend of steel production for peacetime prosperity years is upward and that a projection of the trend from 1906 to 1929 indicates a total well over 100,000,000 tons for 1950 and 1955. Mr. Sykes' estimates of 76,000,000 and 78,000,000 tons are thus at least 20,000,000 tons short of the volume suggested by the trend for 1950, and for 1955 the indicated difference or shortage is even greater.

In chart II, which shows production on a per capita basis, you will note that the amount of steel required per job to sustain full employment has followed an upward trend up to 1941, rising from a half ton in 1900 to over 1 ton in the 1920's and to 1.7 tons in 1941. A projection of this trend points to 1.8 tons per employed person in 1950 and nearly 2 tons in 1955. The Sykes' estimates, 76,000,000 tons for 1950 and 78,000,000 for 1955, are equivalent to about 1.25 tons per job, assuming 60,000,000 jobs to be filled in 1950 and 62,000,000 in 1955. If in these years we should need 1.8 to 2 tons per job and have only 1.25 tons to go around, substantial unemployment would be found to prevail.

In chart III you will note the amount of unemployment that is implied in the Sykes' estimates. The chart shows that on the basis of past experience, we would need well over 100,000,000 tons of steel if unemployment is to be kept to only 3 to 5 percent of the labor force. Mr. Sykes' estimate of 76,000,000 tons of steel for 1950 would be in line with the experience of 1939, when 16 percent of the labor force was unemployed, and his estimate of 78,000,000 tons for 1955 would be more nearly in line with the experience of 1933 to 1935, when unemployment amounted to 20 percent or more.

Finally, in chart IV you will note that there has been a rising—not, as Mr. Sykes claims, a constant—trend in the per capita demand for steel for domestic use and for export. The upward trend is unmistakable if you follow the successive record of peak demand from 1900 to date. By 1900 the United States produced a maximum of 300 pounds of steel per capita. The next maximum, in 1903, was 422 pounds; the next, in 1906, was 614 pounds; the next, in 1910, was 632 pounds. Another maximum, 735 pounds, was reached in 1912; then, skipping the war years, a still greater maximum was reached in 1920, 886 pounds, and this was exceeded in 1923 with 899 pounds; in 1926 with 922 pounds, and in 1929 with 1,038 pounds, and in 1941 with 1,243 pounds. A projection of this trend to 1950 points to about 1,400 pounds per person instead of Mr. Sykes' estimate of 1,000 pounds for domestic demand plus 10 percent additional for exports, or 22 percent below the trend.

This is the basic difficulty I find in Mr. Sykes' presentation of the record, that he, as well as many others, fail to differentiate between the rising trend of demand in prosperous years and the much lower demand experienced in depression years. The question you are interested in is the amount of steel that is likely to be required to sustain

full employment, now that we have it, or to restore and sustain full employment in case unemployment should develop in the near future. Mr. Sykes' method of estimating, as well as the estimates of those who are fearful that we may some day experience a depression like that of the 1930's, tend to confuse the simple issue of what is likely to be required in the way of steel production and capacity for full employment. My reading of the record suggests that Mr. Sykes' estimates, if used as a guide for the steel industry, would make it impossible to sustain the present level of full employment and would perpetuate a large volume of unemployment, once it were allowed to develop.

TAX REDUCTION

Mr. McCLELLAN. Mr. President, when the recent tax reduction bill came over from the House of Representatives and was referred to the Finance Committee of the Senate, I appeared before the committee, and offered for its consideration some three or four amendments which I announced I intended to propose to the measure. Two of those amendments I offered and very earnestly pressed on the floor of the Senate. They were rejected, but at the time of their rejection, particularly with respect to one, some assurances were given that it was the intention of the leadership, I think on both sides of the aisle, that the proposed amendment would be considered in a general tax revision bill which it was said would be taken up at the next session of Congress; in fact, that soon the Ways and Means Committee of the House of Representatives was to begin to hold hearings on such a tax revision bill.

The two amendments I offered at that time, to which I wish to make reference now, were, first, one which was appropriate and proper to a tax reduction bill, an amendment to raise personal exemptions. I thought, and still believe, that that is the best approach, or the essential first step, in any tax reduction we should make, whether at this session of Congress or the next, or the next.

The other amendment in which I was very much interested, and which I sponsored, was one to remove the discrimination which now exists, in the collection of Federal income taxes, between married citizens of noncommunity property States, and those residing in community property States. That is the amendment to which I referred which it was thought—and it was said, by the leaders in this body—properly belonged in a tax revision bill, and not in a tax reduction bill.

Mr. President, I intend to continue to press for this legislative tax reform. Following the time the Senate rejected these amendments, and after the tax bill had reached the President, I conferred with the President of the United States about these two proposals. I made no recommendation with respect to whether he should or should not veto the tax bill, because I thought that addressed itself to his judgment and wisdom, after the Congress had acted, but I did urge the President that, in the event he concluded to veto the tax bill, he give consideration to these two amendments I had proposed during the pendency of the tax bill in this body, first, that any tax reduction should include the raising of personal exemp-

tions, in order to give relief to that large group and mass of our citizens who are in the low-income brackets, and who are the wage earners of this Nation.

Mr. HATCH. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I yield to the Senator from New Mexico.

Mr. HATCH. I was just thinking, as the Senator was speaking—and it has been mentioned before on the floor, of course—that it cannot be too often emphasized that when we sought to raise taxes the first thing we did was to decrease the personal exemptions. Is not that correct?

Mr. McCLELLAN. That is correct; and that brought on to the tax rolls this large number of our citizens in the small-income brackets, and actually, by doing so, we taxed away from them some of the real necessities of life, based upon American standards of living. But we did that in a war emergency, when we all had to make sacrifices to support the Government and to raise revenue to fight an all-out world war.

Mr. TAYLOR. Part of the purpose was actually to keep people from consuming goods we needed in the war effort, was it not?

Mr. McCLELLAN. That is true; but now, in returning to a peacetime economy, we are trying to make the necessary economic adjustment, to get back to a peacetime basis. The wisdom of reducing taxes at all at this time, or next year, may be debatable; but, if we are to reduce taxes, I am anxious that we take the first step toward reduction of taxes by raising personal exemptions.

Mr. President, on the other issue, I have since appeared before the Ways and Means Committee of the House of Representatives, now holding hearings preparatory to writing and introducing for the next session of Congress, as I understand, a general tax-revision bill. I appeared before that committee and urged that a provision be incorporated in the bill that would place all States of the Nation, irrespective of whether community-property States or not, on the same footing, so that the Federal income taxes would be collected from all citizens alike, and that husband and wife in the non-community-property States, for the purpose of Federal income taxes, would be permitted to split their incomes and to make separate returns thereon, just as they do in community-property States.

I would like at this point in the RECORD, and as a part of my remarks, to incorporate the statement that I made before the Ways and Means Committee of the House of Representatives on June 20, 1947.

The PRESIDING OFFICER (Mr. CAIN in the chair). Is there objection to the request?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN L. McCLELLAN BEFORE THE WAYS AND MEANS COMMITTEE OF THE HOUSE OF REPRESENTATIVES ON JUNE 20, 1947

Mr. Chairman and members of the committee, I appreciate the courtesy you have extended me to appear before you today to

discuss a provision which I propose shall be incorporated in the tax revision bill for 1948, on which measure you are now holding hearings.

Before discussing my proposal I wish to commend this committee for its foresight and wisdom used in undertaking to draft and initiate legislation for a general revision of our tax structure. Each revision is badly needed.

It was, doubtless, inevitable that with an unanticipated and unprecedented rapid rise in the cost of government and a correspondingly rapid increase in taxes that the burden imposed on the taxpayers would be accompanied to some degree by injustices and discriminations. Such has resulted and a good many inequities now exist under present law.

Mr. Chairman, I make no pretense at being an expert on tax legislation, but the gross inequity which I seek to have corrected is so patent and flagrant that the wisdom of a Solomon is not required to discover it nor is a trained technical knowledge required to explain it.

By adoption of the sixteenth amendment to the Constitution some 34 years ago, the power was granted to the Federal Government to raise revenues by levying a tax on the income of its citizens. Pursuant thereto, the Congress has from time to time enacted revenue laws levying such taxes at varying rates with prescribed exemptions and limitations. Generally, the rate of tax has constantly increased with each new revenue measure until at present we have the highest income-tax rate in the history of the Nation—a rate that imposes a tax obligation that is indeed burdensome to most of our citizens—so burdensome that a large majority feels that the rate should be reduced, as evidenced by the vote recently recorded in both the House and Senate on H. R. 1 at this session of Congress.

Mr. Chairman, I agree that tax reduction is highly desirable although there is a sharp difference of opinion with respect to whether, under present economic and fiscal conditions, it is wise or expedient to enact such a measure at present. However that may be, Mr. Chairman, there is one thing upon which we can and should all agree and that is that preceding any general tax-reduction legislation, or at least simultaneously with such tax-reduction legislation, revisions and adjustments should be made that will eliminate the existing inequities and discriminations of present laws and provide for the collection of income taxes from American citizens on an equal basis in ratio to their income irrespective of the State of their domicile or the laws of the State in which they may reside.

Under existing law, the construction placed thereon and regulations promulgated by the Internal Revenue Bureau, married couples—husbands and wives—of 10 States of this Nation, States having community-property laws, enjoy a favored status resulting in their paying considerable less Federal income tax on their earnings and income than that paid by husbands and wives in the other 38 States of the Union that do not have community-property laws.

In the 10 favored States, husbands and wives, although their entire income may be earned by the husband, are permitted to split this income 50-50, each filing a tax return for one-half and thus reducing the amount of tax collected from the husband's earnings from that which he would have paid had he reported his full income, as husbands are required to do in the non-community-property States.

Last year, Mr. Chairman, 1946, according to the best estimates of the Treasury Department, husbands and wives in 9 community-property States—and there are 10 now—paid between \$175,000,000 and \$180,000,000 less Federal income taxes than did the same number of husbands and wives with the same

incomes in non-community-property States. It is also estimated, Mr. Chairman, by the Internal Revenue Bureau authorities that on the basis of the present rate of taxation, if this favored status, or the same income-splitting privilege, should be accorded to husbands and wives residing in non-community-property States—if the incomes of husbands and wives in all States of the Union were taxed alike by the Federal Government, there would be a loss of revenue to the Treasury of approximately \$200,000,000. If tax reduction is now in order, then an equalization that does justice to all married citizens alike that will cost some \$800,000,000 annually recommends itself with an appeal for justice that cannot, should not, be denied by an honest Government and by fair, sincere, and conscientious Representatives of the people in Congress.

In my State, Arkansas, husbands and wives last year paid out of their incomes, usually earned by the husband, some \$5,000,000 more in Federal income taxes than was paid by the same corresponding number of husbands and wives in the same category in the surrounding community-property States bordering Arkansas—Oklahoma, Texas, and Louisiana.

Mr. Chairman, there are 25 members of your committee. Only three of your number are representatives from community-property States. Twenty-two of you represent States whose citizens are discriminated against, just as are those of my State. Each of you can ascertain from an estimate from the Internal Revenue Bureau how much more Federal income taxes husbands and wives are paying in your State than are the same comparative number with like incomes paying in community-property States. If you will check on this, you will probably be surprised. The penalty inflicted on your citizens because you do not have the community-property system in your State is probably greater than you have realized. You will find it sufficient to engage your interest and to convince you that this travesty upon justice should be removed—and removed now. There can be no excuse for longer delay.

At this point, Mr. Chairman, I ask to have printed in my remarks a table prepared for me by the Treasury Department showing the differences both in amount and percentage of taxes paid by husbands and wives on given incomes in community-property States and those who reside in States that do not have community-property laws.

Combined net income before personal exemption	Tax payable		Amount and per cent greater tax in non-community-property State	
	Community-property State ¹	Non-community-property State ²	Amount	Per cent
\$1,000				
\$1,200	\$38.00	\$38.00		
\$1,500	95.00	95.00		
\$2,000	190.00	190.00		
\$2,500	285.00	285.00		
\$3,000	380.00	380.00		
\$4,000	470.00	589.00	\$119.00	3.33
\$5,000	560.00	798.00	238.00	5.00
\$6,000	650.00	1,045.00	395.00	7.84
\$7,000	740.00	1,292.00	552.00	9.68
\$8,000	830.00	1,577.00	747.00	13.70
\$9,000	920.00	1,862.00	942.00	16.67
\$10,000	1,010.00	2,185.00	1,175.00	18.56
\$15,000	1,510.00	4,047.00	2,537.00	28.31
\$25,000	2,510.00	9,082.00	6,572.00	40.59
\$50,000	5,020.00	24,795.00	19,775.00	39.42
\$100,000	10,040.00	63,127.50	53,087.50	52.87
\$150,000	15,060.00	105,383.50	90,323.50	59.99
\$200,000	20,080.00	148,124.00	128,044.00	63.76
\$250,000	25,100.00	191,339.50	166,239.50	66.23
\$500,000	50,200.00	407,464.50	357,264.50	71.17
\$750,000	75,300.00	623,589.50	548,289.50	72.81
\$1,000,000	100,400.00	839,714.50	739,314.50	73.56
\$2,000,000	200,800.00	1,704,214.50	1,503,414.50	75.00
\$5,000,000	501,600.00	4,275,000.00	3,773,400.00	75.23

¹ Income divided evenly between husband and wife.
² Entire income reported by husband on joint return.

It ranges, Mr. Chairman, from \$19 or 3.33 percent on a gross income of \$4,000 to \$2,622 or 40.59 percent on a gross income of \$25,000. By way of further illustration, Mr. Chairman, since you reside in a non-community-property State, you have to pay \$655.50 more Federal income tax on your salary of \$12,500 per year as a Member of Congress than is paid by each of the three members of your committee from the States of California, Washington, and Texas on their salaries as members of Congress. Why this difference, Mr. Chairman? By what process of reasoning, by what standard of fairness and equity, can such discrimination be justified? What quality of statesmanship could possibly motivate this Congress in the enactment of a tax adjustment and revision bill that would perpetuate rather than would remove and eliminate such a monstrosity in our tax structure?

Are you from the non-community-property States willing to take the responsibility for continuing a tax system that requires your citizens to bear a larger share of the cost of this Government on the basis of their income and ability to pay than you will require of citizens of like income and ability to pay in the 10 non-community-property States? I am not, and I shall not be a party to perpetuating this indefensible imposition upon the citizenship of Arkansas which I represent.

Mr. Chairman, I have no quarrel with the community-property States. Most of them inherited their property-tax system. It is their right to keep it. I would not infringe upon that right. I do not want to disturb them in the full enjoyment of the benefits and advantages that it affords. I only ask that Federal income taxes be collected from the citizenship of the other 38 States at the same rate and on the same basis as they are collected from the citizens of the 10 community-property States. An honest Government cannot justify the broad and indefensible discrimination that now obtains.

Therefore, Mr. Chairman, I propose and earnestly urge that this committee, having the initial responsibility for doing justice and initiating equitable tax legislation, incorporate in the tax revision bill now under consideration the text of S. 1453 which I recently introduced in the Senate. A bill granting to married persons living in non-community-property States who file joint returns the same income-tax treatment as if they lived in community-property States.

Mr. Chairman, I earnestly urge that the text of the bill which I have introduced in the Senate, or similar provisions to those contained therein, be incorporated in the tax-revision bill which you are now considering. Mr. Chairman, I plead with you, the members of this committee, and with all Members of Congress for righteous and equitable treatment, for simple justice to all American citizens alike.

Mr. McCLELLAN. Mr. President, there appears in the United States News of June 27, 1947, under the title "Tax Cuts That Mr. Truman Favors," the following two paragraphs:

President Truman is getting set to advocate a tax reduction in 1948 centering on a raise in exemptions that will remove millions of taxpayers from the rolls and bar much of a tax saving to the middle- and upper-income groups which have borne the brunt of prewar and wartime tax increases.

The second paragraph reads as follows:

The White House also will favor a tax-law change affecting 1948 income that will permit husbands and wives in all States to divide income equally for tax purposes. This privilege now is reserved for taxpayers in the nine community-property States.

Mr. President, I hope that these are the views of the President. This is not authentic; it only appears in the magazine that I have referred to; but I trust that that information is correct and is based upon fact, and that the President is thinking along those lines. It is encouraging and gratifying to me to know that he is, and I hope to see that made the tax program for the next year.

Mr. President, there also appears in the issue of the United States News to which I have referred an article entitled "New Support for Tax Splitting; Treasury Study of Plan That Would Give Relief to 5,000,000 Families." I ask that this article be incorporated in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW SUPPORT FOR TAX SPLITTING—TREASURY STUDY OF PLAN THAT WOULD GIVE RELIEF TO 5,000,000 FAMILIES—MOVE TO PLACE ALL COUPLES ON SAME BASIS AS THOSE IN COMMUNITY-PROPERTY STATES

Tax cutting, now that Congress has upheld President Truman's veto of the 1947 tax bill, goes over until 1948. Emphasis then, as in the 1947 Congress, will be on relief for individual taxpayers. As a starter on the 1948 program, Congress is leaning toward a plan to provide relief for about 5,000,000 of the Nation's taxpaying families.

That plan simply would permit husbands and wives to split the family income equally for tax purposes. This privilege, offering big tax savings to couples in middle and upper income groups, now is enjoyed only by residents of nine community-property States—Washington, California, Texas, Oklahoma, Arizona, New Mexico, Nevada, Idaho, and Louisiana. A tenth, Oregon, recently passed a community-property law, and married couples in that State are expected hereafter to qualify for the income-splitting privilege.

SUPPORT FOR PLAN

The proposal to extend the same privilege to all States is catching on in Congress and elsewhere, much as the Ruml pay-as-you-go plan caught on in 1942. Since Stanley S. Surrey, the Treasury's Tax Legislative Counsel, disclosed a year ago that the Treasury was working on an income-splitting idea, it has been endorsed in principle by eight State legislatures. Twenty-two bills proposing such a system have been introduced in the current session of Congress. The plan has been promised port billing for 1948 by the Senate Finance Committee. And now, in a new staff study on family taxes, the Treasury offers broad hints that it, too, likes the idea.

What the Treasury is after is to eliminate inequities under present tax laws applying to family incomes. The study just filed with the House Ways and Means Committee points to these areas that need attention.

Where a taxpayer lives often makes a difference in how much tax he pays on his income. If he lives in a community-property State, he can split his salary with his wife, get himself into a lower tax bracket, and thereby save money on his taxes. However, if he lives in one of the other States, his salary is taxable to him alone.

Where his money comes from may be another factor. People with investment income sometimes can divide that income among members of the family through gifts of income-producing property, through family partnerships, family trusts, and other devices. Except in community-property States,

where income splitting is automatic, this privilege is denied to salaried people.

How investments are divided among members of the family might determine the amount of a family's tax. The Treasury points out that, because of family relationships and the nature of their investments, some families living on investment income cannot make use of tax-saving devices such as partnerships and trusts, while others effect big savings through such devices.

Income splitting, as the Treasury study shows, would help to eliminate all of these forms of tax discrimination.

Residence in community-property States no longer would offer any tax advantage, because married couples in all States would be on the same tax basis.

Salaried people would get, by law, about the same income-splitting privilege that people with investment income now get through family trusts, partnerships and other tax-saving devices.

All families with investment income would be put on more nearly the same footing, so far as taxes are concerned. In many cases, the incentive to divide income-producing property through trusts, gifts and partnerships would disappear.

EFFECT ON FAMILY TAXES OF DIVIDED-INCOME PLAN

In nine community-property States, husbands and wives are permitted to split the family income for Federal income tax purposes. The tax saving resulting from that privilege, for married couples at various income levels, is shown in the table below:

Net income	Tax in 9 community-property States	Tax in 39 other States	Difference	
			Amount	Percent
\$5,000	\$760	\$798	\$38	4.8
\$10,000	1,843	2,185	342	15.7
\$15,000	3,154	4,047	893	22.1
\$25,000	6,460	9,082	2,622	28.9
\$50,000	18,725	24,795	6,071	24.5
\$100,000	50,274	63,128	12,854	20.4
\$500,000	383,544	407,465	23,921	5.9
\$1,000,000	815,794	839,715	23,921	2.8

Tax differences between families living in community property States and those living in other States, as those differences exist under present laws, are shown in the accompanying table.

At \$5,000 of net income, a taxpayer in a community-property State splits his income with his wife, and each reports \$2,500 in a separate tax return. The couple's tax amounts to \$760. In any of the 39 other States, the same income, taxable in a lump, bears a tax of \$798. The difference is \$38, or 4.8 percent.

At \$10,000, the tax in a community-property State is \$1,843. In other States it is \$2,185. Here the difference is \$342, or 13.7 percent.

At \$15,000, the advantage of income splitting is greater still. In a community-property State, the tax is \$3,154, against \$4,047 in one of the other States. This is a difference of \$893, or 22.1 percent.

At \$25,000, the difference reaches a peak of 28.9 percent. In a community-property State, a couple with this income pays a tax of \$6,460, against \$9,082 in another State.

At \$50,000, the gap begins to narrow again. The tax in a community-property State is \$18,725, compared with \$24,795 in one of the other States. The difference at this level is 24.5 percent.

At \$100,000, a couple in a community-property State pays \$50,274. Elsewhere, the tax is \$63,128, a difference of 20.4 percent.

At \$500,000, the advantage in community-property States is only 5.9 percent. This percentage drop is explained by the fact that

surtax rates stop increasing past \$200,000. In nine States, couples at this income level pay \$383,544. In other States they pay \$407,465.

At \$1,000,000, the difference is only 2.8 percent. In a community-property State, a couple with this net income pays \$815,794, as compared to \$839,115 in other States.

These same savings are offered to married couples in all States by the proposal to give Nation-wide effect to the community-property privilege. These savings are greatest in the upper middle groups—from \$10,000 to \$100,000. Couples with net incomes below \$3,300 get no benefit, because they already are in the lowest surtax brackets. Above \$5,000,000 savings disappear again, as effective rates there are up to the ceiling of 85.5 percent.

Other plans for dealing with tax inequities among family taxpayers are suggested by the Treasury, but with less emphasis than is given the income-splitting proposal.

Mandatory joint returns are suggested as one means of removing the tax advantage of couples living in community-property States. This system, proposed by the Treasury and voted down in Congress in 1942, is the opposite of the plan to extend income splitting to all States. By requiring joint returns the community-property advantage in taxation would be eliminated. This plan, at about the 1946 level of national income payments, would add \$542,000,000 to the tax bills of 1,400,000 couples that now split their incomes. At the same level of income payments, the extension of income splitting to all States would save \$744,000,000 for 4,900,000 married taxpayers. Those figures would be higher at the current increased level of income payments.

The Treasury is not likely to make any serious effort to get mandatory joint returns considered by Congress in 1948. As shown by the 1942 debate, community-property States would oppose such a plan on the ground that it would strike at the rights guaranteed to wives under the laws of those States.

A management and control plan is a second alternative suggested by the Treasury. Under this proposal, automatic splitting of income in community-property States would be eliminated. A husband's salary would be taxable to him alone. On income from property, the tax would fall on the husband if he exercised management and control over the property, and on the wife if she had control of the property. This plan would add about \$82,000,000 to the taxes of 600,000 married couples in community-property States, assuming about the 1946 level of income payments. Objections in Congress to this idea are likely to be about the same as those raised against mandatory joint returns.

Higher tax rates for single persons and for married couples filing separate returns are involved in the Treasury's third alternative. The idea here is to take the profit out of filing separate returns instead of joint returns. The weakness of this plan, as the Treasury suggests, is that it would put a relatively much heavier burden on single persons than does present law. It would mean added taxes, totaling about \$1,000,000,000 a year, divided among 1,400,000 married couples and 7,200,000 single persons.

All the alternative plans, thus, could be expected to run into trouble in Congress. That leaves the proposal to extend income splitting to all States as the one plan that is likely to be taken seriously as a means of wiping out the tax advantages that are now held by families in the community-property States.

A broader tax program than this, however, is to be expected in 1948. Congress will want to provide some tax relief for all of the 46,000,000 income tax payers. Income splitting would benefit only about 5,000,000 families.

It offers no relief to low-income families or to single persons. This plan, therefore, would have little chance in Congress except as part of a comprehensive program of tax relief.

Higher exemptions and allowances for dependents may be the administration's proposal for giving relief to low-income taxpayers. Raising exemptions from \$500 to \$600 would drop about 4,700,000 low-income taxpayers from the rolls.

A percentage cut for all taxpayers, similar to the plan blocked for this year by a veto, is likely to have support from Republican tax leaders again in 1948.

This situation promises another conflict in 1948 over the way to go about cutting taxes. But whatever the broader portion of the program turns out to be, income splitting appears to have a good chance of becoming a part of it. It is the only plan for individual tax relief that is gaining strength both in the administration and in Congress' Republican leadership.

Mr. McCLELLAN. Mr. President, in conclusion, I want to say that I feel very keenly about both of these proposals. I believe there is real justice, real merit in each, and I believe it is the duty of the Congress to enact legislation that will include both of these proposals. I shall present them and insist on their enactment on every occasion and at every opportunity until they are enacted into law.

LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, in view of the fact that the unanimous-consent agreement to vote upon the succession bill will not become operative until Friday; in order to accommodate several Senators who, for good reasons, have to be absent tomorrow and a part of the next day, and to accommodate several of the very important committees that are writing appropriations today—I think five of them are working—if there is no further business to come before the Senate I shall move to recess.

Mr. HATCH. Mr. President—

The PRESIDING OFFICER (Mr. Ecton in the chair). Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. WHERRY. I yield.

Mr. HATCH. I surmise it is probably the intention of the Senator from Nebraska to move to recess until Thursday?

Mr. WHERRY. That is correct.

Mr. HATCH. I wonder if the Senator has any plans for Thursday's business.

Mr. WHERRY. Yes. The unfinished business then will be the succession bill. The distinguished minority leader and the distinguished Senator from Georgia [Mr. RUSSELL] preferred that the amendments be taken up on that day, and we have so arranged.

Mr. HATCH. On Thursday?

Mr. WHERRY. On Thursday, so that that will be the unfinished business for Thursday afternoon, as late as we want to sit. The vote will be had on the bill, and all amendments and motions in connection therewith, at 2 o'clock Friday afternoon.

Mr. HATCH. That would give ample time for full discussion of the succession bill?

Mr. WHERRY. Yes; it would, in the opinion of the minority leader. I am

satisfied of the correctness of the statement made by the minority leader that that will afford ample time. Not only that matter, but one other matter should be taken up, and that is the extension of title III of the Second War Powers Act on which action must be taken by June 30. I think that would require only 2 or 3 minutes, and it is the intention to dispose of that Thursday afternoon at the beginning of the session.

Mr. HATCH. It is not the intention, then, to take up the State, Justice, and Commerce appropriation bill?

Mr. WHERRY. It would have to lie over until Thursday. An appropriation bill would have the right of way, of course.

Mr. HATCH. There are certain of the provisions of that bill which I expect will provoke considerable discussion, and there should be full time for discussion. I am sure the Senator from Nebraska would bear both of those things in mind.

Mr. WHERRY. Yes. I thank the Senator for making the suggestions. I assure him the arrangements are being made in order to accommodate the minority leader, really, and certain other colleagues who wanted to be away.

Mr. HATCH. Yes; I understand. I was not endeavoring to be critical at all. I just wanted to get the information.

RECESS TO THURSDAY

Mr. WHERRY. If there is nothing else to come before the Senate this afternoon, I now move that the Senate recess until Thursday at noon.

The motion was agreed to; and (at 2 o'clock and 19 minutes p. m.) the Senate took a recess to Thursday, June 26, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 24 (legislative day of April 21), 1947:

UNITED STATES ATTORNEY

Alton Adolor Lessard, of Maine, to be United States attorney for the district of Maine, vice Hon. John D. Clifford, Jr., resigned.

COLLECTORS OF CUSTOMS

Harry M. Brennan to be collector of customs for customs collection district No. 42, with headquarters at Louisville, Ky. (Reappointment.)

William J. Storen to be collector of customs for customs collection district No. 16, with headquarters at Charleston, S. C. (Reappointment.)

Abe D. Waldauer to be collector of customs for collection district No. 43, with headquarters at Memphis, Tenn. (Reappointment.)

BUREAU OF ORDNANCE, NAVY DEPARTMENT

Rear Adm. Albert G. Noble, United States Navy, to be Chief of the Bureau of Ordnance in the Department of the Navy, for a term of 4 years.

CONFIRMATION

Executive nomination confirmed by the Senate June 24 (legislative day of April 21), 1947:

AMERICAN MISSION FOR AID TO TURKEY

Edwin C. Wilson to be chief of the American Mission for Aid to Turkey.